CANADIAN TENPIN FEDERATION INC.

Financial Statements

Year Ended March 31, 2025

CANADIAN TENPIN FEDERATION INC.

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Alikova & Associates Inc.
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Canadian Tenpin Federation Inc.

Report on the Financial Statements

Opinion

We have audited the financial statements of Canadian Tenpin Federation Inc. (the organization), which comprise the statement of financial position as at March 31, 2025, and the statements of revenues and expenditures, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with 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 opinion.

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 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.

In preparing the financial statements, management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

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Auditor's 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 auditor’s 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 organization’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 organization’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s 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 auditor’s report. However, future events or conditions may cause the organization 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.

Langley, British Columbia
November 28, 2025

Alikova & Associates Inc.
Chartered Professional Accountants

CANADIAN TENPIN FEDERATION INC.

Statement of Financial Position

March 31, 2025

	2025	2024
ASSETS		
CURRENT		
Cash	**$ 179,591**	$ 176,557
Accounts receivable	**4,079**	16,469
Inventory	**29,645**	26,341
Goods and services tax recoverable	**-**	7,355
Prepaid expenses	**796**	563
	214,111	227,285
PROPERTY, PLANT AND EQUIPMENT *(Note 4)*	**4,836**	4,852
RESTRICTED CASH	**166,479**	141,324
	$ 385,426	$ 373,461
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	**$ 17,718**	$ 6,396
Goods and services tax payable	**77**	-
Employee deductions payable	**2,469**	2,368
	20,264	8,764
FUNDS HELD IN TRUST	**166,479**	141,324
	186,743	150,088
NET ASSETS	**198,683**	223,373
	$ 385,426	$ 373,461

ON BEHALF OF THE BOARD

Signed by:
Elaine Yamron
4993B57E1DAB4E8... Director

DocuSigned by:
Jane Vetero
07D88EF4A97E48C... Director

See notes to financial statements

CANADIAN TENPIN FEDERATION INC.

Statement of Revenues and Expenditures

Year Ended March 31, 2025

	2025	2024
RECEIPTS		
Registration fees	$ 295,555	$ 240,450
Miscellaneous revenue	(43,741)	2,202
Tournament income	64,166	58,525
Coaching	3,020	6,207
Grants and donations	3,657	64,590
Sports Canada Protected Funding	103,500	93,164
	426,157	465,138
EXPENSES		
Advertising and promotion	775	2,700
Amortization	1,544	1,639
Delivery, freight and express	9,096	6,216
Insurance	8,145	2,603
Interest and bank charges	2,745	3,892
Coaching development	1,500	288
Memberships	8,654	8,587
Office	7,884	10,300
Purchases	48,543	47,609
Software fees	15,742	16,091
Translation	3,185	6,070
Team Canada	87,368	159,807
Tournaments	78,489	37,604
Honorariums	7,653	2,782
Honorarium - High performance	-	14,000
Meetings and board expenses	971	11,320
Training courses	4,386	384
Professional fees	6,000	6,000
Salaries and benefits	116,375	116,670
Consulting fees	37,054	12,940
Telephone	365	314
Travel	3,621	10,388
Utilities	752	997
	450,847	479,201
DEFICIENCY OF RECEIPTS OVER EXPENSES FROM OPERATIONS	(24,690)	(14,063)
Gain on foreign exchange	-	7
DEFICIENCY OF RECEIPTS OVER EXPENSES	$ (24,690)	$ (14,056)

See notes to financial statements

CANADIAN TENPIN FEDERATION INC.

Statement of Changes in Net Assets

Year Ended March 31, 2025

	2025	2024
NET ASSETS - BEGINNING OF YEAR		
As previously reported	**$ 200,543**	$ 237,429
Prior period adjustments	**22,830**	-
As restated	**223,373**	237,429
DEFICIENCY OF RECEIPTS OVER EXPENSES	**(24,690)**	(14,056)
NET ASSETS - END OF YEAR	**$ 198,683**	$ 223,373

See notes to financial statements

CANADIAN TENPIN FEDERATION INC.

Statement of Cash Flows

Year Ended March 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Deficiency of receipts over expenses	$ (24,690)	$ (14,056)
Item not affecting cash:		
Amortization of property, plant and equipment	1,544	1,639
	(23,146)	(12,417)
Changes in non-cash working capital:		
Accounts receivable	12,390	23,655
Inventory	(3,304)	8,704
Accounts payable	11,321	(9,237)
Prepaid expenses	(233)	1,785
Goods and services tax payable	7,432	(12,079)
Employee deductions payable	101	(1,497)
	27,707	11,331
Cash flow from (used by) operating activities	4,561	(1,086)
INVESTING ACTIVITY		
Purchase of property, plant and equipment	(1,527)	-
INCREASE (DECREASE) IN CASH FLOW	3,034	(1,086)
Cash - beginning of year	176,557	177,643
CASH - END OF YEAR	$ 179,591	$ 176,557

See notes to financial statements

1. PURPOSE OF THE ORGANIZATION

Canadian Tenpin Federation Inc. (the "organization") is a not-for-profit organization incorporated provincially under the Society Act of AlbertaThe organization was formed to support and promote the sport of tenpin and exempt from income taxes under 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 (ASNFPO).

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. Cash equivalent that the organizatin can't use for current transactions because they are restricted and presented as restricted case on financial statements.

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on using purchase cost method.

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Office furniture and equipment	8%	declining balance method
Computer equipment	55%	declining balance method

The organization regularly reviews its property, plant and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, plant and equipment cost.

Property, plant and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Revenue recognition

Canadian Tenpin Federation Inc. 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. Endowment contributions are recognized as direct increases in net assets.

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.

Tournaments revenue are recognized as revenue when the tournaments are held.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated funds from various sources. The fair value of donated funds and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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

Measurement uncertainty

When preparing financial statements according to ASNPO, management makes estimates and assumptions relating to:

- reported amounts of revenues and expenses
- reported amounts of assets and liabilities
- disclosure of contingent assets and liabilities.

Estimates are based on a number of factors including historical experience, current events and actions that the organization may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results could differ. In particular, estimates are used in accounting for certain items such as revenues, allowance for doubtful accounts, useful lives of capital assets, asset impairments, legal and tax contingencies, employee compensation plans, employee benefit plans, retained interest in securitized receivables, income taxes, and goodwill impairment.

Net assets

a) Net assets invested in property and equipment represents the organization's net investment in property and equipment which is comprised of the unamortized amount of property and equipment purchased with restricted funds.

b) Internally restricted net assets are funds which have been designated for a specific purpose by the organization's Board of Directors.

c) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, not of transfers, and are available for general purposes.

3. RESTRICTED FUNDS

Restricted funds consist of:

	2025	2024
Section heading		
Scholarship Award Account	**$ 4,245**	$ 10,296
Investments	**162,234**	131,028
	$ 166,479	$ 141,324

Restricted funds include a bank account and GICs held at the Bank of Montreal. GICs include various certificates bearing interest between 3.30% to 5.35% with maturity dates ranging from May 29, 2025 to August 28, 2025 .

Restricted funds are held for the purpose of funding scholarships for those members who reach a certain age of eligibility and meet education criteria as set out in the by-laws. Each year scholarship funds are paid out to qualifying members. Each year there are additional members who qualify for scholarship. The balance owing represents the net amount paid out plus additional members who qualified for scholarship. See the note 5.

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	**2025 Net book value**	2024 Net book value
Office furniture and equipment	$ 15,610	$ 12,079	**$ 3,531**	$ 4,414
Computer equipment	7,969	6,664	**1,305**	438
	$ 23,579	$ 18,743	**$ 4,836**	$ 4,852

5. FUNDS HELD IN TRUST

The scholarship fund has been established by organization from donations received from various tournaments. The amounts to be paid out to the qualified individuals based out upon approval from the board. See note 3.

6. LEASE COMMITMENTS

The organization has entered into a operating lease for rental of the office equipment. The total of future obligation for this lease is $18,312. Total future lease obligations to be paid until December 2029.

7. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2025.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

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 receipt of funds from its customers and other related sources, long term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

Unless otherwise noted, it is management’s opinion that the organization is not exposed to significant other price risks arising from these financial instruments.