

Registered Canadian Amateur Athletic Association Information Return

CH210131129538

Identification

Name of association	THE CANADIAN PONY CLUB
* [Redacted]	
* [Redacted]	
* [Redacted]	

Return for fiscal period ending

210 11 91,213,1

Year

Month

Day

Is this the first return filed by this association?

Yes No

If "no," has the fiscal period changed from the last return filed?

Yes No

Is this the final return to be filed by this association?

Yes No

If "yes," please attach an explanation.

File number

BN/Registration number

13188 8281 RR 0001

Is the address above the same mailing address as last year?

Yes No

If no, is the address above the new mailing address?

Yes No

Instructions

the Identification area.

the boxes (above right) to indicate the end of the association's fiscal period.

FINANCIAL STATEMENTS for the fiscal period covered by this return. These should include a statement of financial position and expenditures for the fiscal period and a statement of assets and liabilities as of the end of the fiscal period. Statements should indicate the different sources of revenue in sufficient detail to show how funds were spent or

list of the names, addresses, and occupations or lines of business of the association's current directors.

list of the names and the official positions of the people who are authorized to issue official receipts for the association.

Note that fully explains what replacement procedure is followed in the event of lost or spoiled receipts.

Within 6 months from the end of the fiscal period of the association, mail or deliver a completed return and all required documents to:

Charities Directorate
Canada Revenue Agency
Ottawa ON K1A 0L5

Form authorized by the Minister of National Revenue.

RECEIVED/REÇU

JAN 12 2021

CISD

NCR MAILROOM

110

SALLE DU COURRIER

RCN

Information required

1. Have any changes not previously reported been made to the association's governing documents? If yes, please attach a certified copy of the changes. Yes No

2. Have complete books and records been kept (including duplicate copies of receipts) which fully substantiate all financial transactions during the fiscal period? If no, please attach an explanation. Yes No

3. Please indicate the total amount for which the association issued official donation receipts in this fiscal period. \$ 9404.00

4. Are the receipt forms used to acknowledge payments that are NOT gifts clearly distinguishable from official donation receipts which bear the BN/registration number? If no, please attach an explanation. Yes No

5. Did the association issue official donation receipts showing a date in the previous calendar year for donations that were mailed or otherwise submitted after the end of the calendar year? If yes, please attach an explanation. Yes No

6. Have official donation receipts been issued to acknowledge donations in a form other than cash or cheque - e.g., goods, services rendered, etc.? If yes, please attach a list of these gifts and their value as shown on the official donation receipt. Yes No

7. Has any amount donated to the association been returned to the donor during the year? If yes, please attach an explanation (confidential). Yes No

8 a. During the fiscal period, did the association accept any gifts with the express or implied condition that such gifts were to be used for the benefit of another person, club, society or association? If yes, please attach an explanation (confidential). Yes No

b. Did the association issue an official donation receipt to acknowledge such a gift? Yes No

Certification

To be signed by two directors of the association.

1. I, JANE GOODLiffe

Name of director whose signature appears below.

of

2. I, MARCIA REID

Name of director whose signature appears below.

of

Address (confidential)

HEREBY CERTIFY that the information given in this return and in all attachments is, to the best of my knowledge, correct, complete and current. (Note: It is a serious offense under the *Income Tax Act* to provide false or deceptive information.)

1. Signature of director (confidential)

Position with the association

NATIONAL CHAIR CANADIAN PONY CLUB

Home telephone number (confidential)

Business telephone number

Date

2. Signature of director (confidential)

Position with the association

NATIONAL FINANCE CHAIR

Home telephone number (confidential)

Business telephone number

Date

RCAA:

Personal information is collected under the authority of the *Income Tax Act* and is used to establish and validate the identity and contact information of directors, trustees, officers and/or like officials and authorized representatives of the organization. This information will also be used as a basis for the indirect collection of additional personal information from other internal and external sources, which includes social insurance number (SIN), personal tax information, and relevant financial and biographical information, which may be used to assess the overall risk of registration with respect to the obligations of registration as outlined in the *Act* and the common law. The SIN is collected pursuant to subsection 237 of the *Act* and is used for identification purposes.

The Canada Revenue Agency (CRA) will make this form and all attachments available to the public upon request and/or on the Charities Directorate website, except for information or data identified as confidential. Personal information may also be disclosed to the organization in question and/or its authorized representatives and other third parties pursuant to the disclosure provisions under Section 241 of the *Act*. Personal information may also be shared with other government departments and agencies under information-sharing agreements in accordance with the disclosure provisions under Section 241 of the *Act*. Incomplete or inaccurate information may result in a range of actions including suspension of tax-receipting privileges, up to and including revocation of registered status.

Information is described in Charities Program CRA PPU 200 and is protected under the *Privacy Act*. Individuals have a right of protection, access to and correction or notation of their personal information. Please be advised that you are entitled to complain to the Privacy Commissioner of Canada regarding our handling of your information.

Notification to directors and like officials: The CRA strongly encourages the association to voluntarily inform directors and like officials that their personal information has been collected and disclosed to the CRA for the submission of its annual information return.

I confirm that I have read the Privacy statement above.

**Canadian Pony Club
Financial Statements
For the Year Ended December 31, 2019**

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Independent Auditor's Report

To the members of Canadian Pony Club

Qualified Opinion

We have audited the accompanying financial statements of Canadian Pony Club (the Entity), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, 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 possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2019, and its results of 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 Entity derives revenue from fundraising activities 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 Entity. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising and donations revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2019 and 2018, current assets as at December 31, 2019 and 2018, and net assets as at January 1 and December 31 for both the 2019 and 2018 years. Our audit opinion on the financial statements for the year ended December 31, 2018 was modified accordingly because of the possible effects of this limitation in scope.

Due to geographical distance, we were not able to observe the counting of physical inventory for the years ended December 31, 2019 and 2018. Since inventory enters into determination of the results of operations and cash flows, we were not able to determine whether any adjustments might be necessary to inventory, cost of supplies, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2019 and 2018, current assets as at December 31, 2019 and 2018, and net assets as at January 1 and December 31 for both the 2019 and 2018 years. Our audit opinion on the financial statements for the year ended December 31, 2018 was modified accordingly because of the possible effects of this limitation in scope.

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 Entity 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 audit opinion.

Responsibilities of Management and Those Charged with Governance 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.

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

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

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 Entity'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 Entity'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 Entity 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.

Chartered Professional Accountants, Licensed Public Accountants

Peterborough, Ontario

**Canadian Pony Club
Statement of Financial Position**

December 31	2019	2018
Assets		
Current		
Cash and Bank (Note 2)	\$ 75,129	\$ 104,334
Temporary investments (Note 3)	80,121	74,221
Accounts receivable	18,144	23,413
Inventory	27,389	18,766
Prepaid expenses	1,091	844
	<hr/>	<hr/>
	201,874	221,578
Long term investments (Note 3)	<hr/>	<hr/>
	175,500	114,000
	<hr/>	<hr/>
	\$ 377,374	\$ 335,578
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 11,239	\$ 17,163
Deferred revenue (Note 4)	<hr/>	<hr/>
	15,915	6,065
	<hr/>	<hr/>
	27,154	23,228
Net Assets		
Restricted for Endowment Purposes (Note 5)	14,221	14,221
Internally Restricted (Note 6)	23,500	12,000
Unrestricted	<hr/>	<hr/>
	312,499	286,129
	<hr/>	<hr/>
	350,220	312,350
	<hr/>	<hr/>
	\$ 377,374	\$ 335,578

**Canadian Pony Club
Statement of Changes in Net Assets**

For the year ended December 31	Restricted for Endowment Purposes	Internally Restricted	Unrestricted	2019 Total	2018 Total
Balance, beginning of the year	\$ 14,221	\$ 12,000	\$ 286,129	\$ 312,350	\$ 269,168
Excess of revenues over expenses	-	-	37,870	37,870	43,182
Interfund transfer	-	11,500	(11,500)	-	-
Balance, end of the year	\$ 14,221	\$ 23,500	\$ 312,499	\$ 350,220	\$ 312,350

The accompanying notes are an integral part of these financial statements.

**Canadian Pony Club
Statement of Operations**

For the year ended December 31	2019	2018
Revenue		
Head fees	\$ 183,070	\$ 183,600
Supply sales	16,623	13,114
Donations and sponsorships	12,496	16,695
Entry fees	-	1,356
Testing fees	2,075	3,200
Interest and miscellaneous	8,779	2,847
	<hr/>	<hr/>
	223,043	220,812
Expenses		
Cost of supplies	8,379	4,435
Grants to regions	29,071	29,178
Insurance	6,627	6,698
Interest and bank charges	216	443
Office expenses	18,046	23,232
Other operating expenses	5,333	2,024
Professional fees	24,427	7,386
Programs	48,012	58,439
Salaries and benefits	45,062	45,795
	<hr/>	<hr/>
	185,173	177,630
Excess of revenues over expenses	<hr/>	<hr/>
	\$ 37,870	\$ 43,182

**Canadian Pony Club
Statement of Cash Flows**

<u>For the year ended December 31</u>	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Excess of revenues over expenses	\$ 37,870	\$ 43,182
Changes in non-cash working capital:		
Accounts receivable	5,269	1,762
Inventory	(8,623)	(780)
Prepaid expenses	(247)	4,531
Accounts payable and accrued liabilities	(5,924)	(6,612)
Deferred revenue	9,850	200
	<u>38,195</u>	<u>42,283</u>
Cash flows from investing activities		
Purchase of investments	(67,400)	(4,000)
Net (decrease) increase in cash	(29,205)	38,283
Cash and bank, beginning of the year	104,334	66,051
Cash and bank, end of the year	\$ 75,129	\$ 104,334

Canadian Pony Club Notes to Financial Statements

December 31, 2019

1. Significant Accounting Policies

Nature and Purpose of Organization	<p>The Canadian Pony Club is a non-profit organization incorporated without share capital under the laws of the Canada Not-for-Profit Corporations Act. The Canadian Pony Club functions as the national coordinating body promoting "Loyalty, Character and Sportsmanship" in young people through education and competition in equestrian activities.</p>
	<p>The Canadian Pony Club is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.</p>
	<p>These financial statements reflect only the assets, liabilities, income and expenses of the national organization and do not include information relating to its affiliated regional organizations nor individual Clubs.</p>
Basis of Accounting	<p>The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.</p>
Revenue Recognition	<p>The Canadian Pony Club follows the deferral method of accounting for contributions, which includes donations and grants.</p> <p>Revenue from head fees, testing fees and entry fees are recognized as income in the year to which the fee applies. Any revenue received in advance of the year that they relate to is recorded as deferred revenue.</p> <p>Donations and sponsorships are recognized when received unless it is externally restricted for a specific purpose. Externally restricted donations are recognized as income in the year the related expense is incurred.</p> <p>Supplies sales and other revenues are recognized upon delivery of the related goods or services.</p>

Canadian Pony Club Notes to Financial Statements

December 31, 2019

1. Significant Accounting Policies (continued)

Financial Instruments	Financial instruments are recorded at fair value at initial recognition. In subsequent years, financial instruments are reported at cost or amortized cost less impairment. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.
Contributed Services	Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.
Inventory	Volunteers contribute many hours per year to assist the Canadian Pony Club in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.
Use of estimates	Inventory includes badges, pins and various other supplies. Cost is determined using the first-in first-out method.

Canadian Pony Club Notes to Financial Statements

December 31, 2019

2. Cash and Bank

The Organization's bank accounts are held at a Canadian chartered bank and earn nominal rates of interest.

The Organization has a credit card with an approved limit of \$20,000. As at December 31, 2019, the Organization had available credit of \$19,257.

3. Investments

Investments consist of guaranteed investment certificates which mature between January 2020 and January 2024. Interest rates on these investments vary from 0.25% to 3.40%. The carrying amounts of investments are comprised of the following:

	2019	2018
Fixed income securities	\$ 255,621	\$ 188,221
Less: short term	<u>80,121</u>	<u>74,221</u>
Long term	<u>\$ 175,500</u>	<u>\$ 114,000</u>

4. Deferred Revenue

Deferred revenue is comprised of externally restricted donations received for the purpose of granting scholarships to members. The donations will be recognized as income in the year the scholarships are paid.

Changes in the deferred revenue balance is as follows:

	2019	2018
Beginning balance	\$ 5,765	\$ 5,865
Amounts received during the year	500	500
Amounts recognized as revenue in the year	<u>(600)</u>	<u>(600)</u>
Externally restricted donations deferred	5,665	5,765
Deferred testing revenue/membership fees	<u>10,250</u>	<u>300</u>
Total deferred revenue	<u>\$ 15,915</u>	<u>\$ 6,065</u>

Canadian Pony Club Notes to Financial Statements

December 31, 2019

5. Restricted for Endowment Purposes

Amounts restricted for endowment purposes relates to a special fund designated "Contributing Patrons Fund". The fund is subject to externally imposed restrictions stipulating that the resources be maintained permanently. The fund is held in a separate guaranteed investment certificate. The fund has total assets at December 31, 2019 of \$14,221 (2018 - \$14,221). The interest income from this fund is unrestricted and has been credited to program costs in support of scholarships.

6. Internally Restricted Fund Balances

In 2017, the Organization's Board of Directors approved the creation of the Special Events Reserve Fund. The Special Events Reserve Fund is restricted to provide the Organization with a reserve of cash sufficient to cover costs relating to hosting international Pony Club events. The reserve fund aggregating \$23,500 has been internally restricted by the Board of Directors. The restriction on the use of these cash resources has been imposed from within the Organization by resolution of the Board of Directors. These funds are not available for other purposes without approval of the Board of Directors.

7. Financial Instruments

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 is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions.

There have been no changes to the Organization's financial instrument risk exposure from the prior year.

Canadian Pony Club
Notes to Financial Statements

December 31, 2019

8. Subsequent event

On January 30, 2020, the World Health Organization announced a global health emergency because of a new strain of coronavirus, the “COVID-19 outbreak”. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve throughout the world including Canada. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the impact on the Organization will not be known with certainty for months to come. Specifically, the collectibility of revenue and the impairment of accounts receivable.

Although the Organization cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have a material adverse effect on the Organization’s results of future operations, financial position, and liquidity in fiscal year 2020.

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Schedule

Board of Directors (new directors in bold)

Name	Start Date YYYY-MM-DD	Address
Susan Lorden	2020-01-01	
Laura Fanning	2018-01-01	
SHERRY JACKSON	2015-01-01	
Laurel Gavin	2018-11-07	
NAOMI GIRLING	2013-11-13	
IAN MACLEAN	2015-01-01	
Shelly Graham	2019-01-01	
Colin Barnes	2020-01-01	
Sarah Read	2018-11-07	
Valerie Paton	2016-11-11	
Marcia Reid	2016-11-11	
Karen Richey	2015-11-11	
Tyra Lingley	2020-01-01	
JANE GOODLiffe	2013-11-13	
Carol Judd	2019-01-01	

Name	Start Date YYYY-MM-DD	Address
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ALISSA CUE	2015-01-01	
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Jessica van Nostrand	2020-01-01	
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#5 and 6

The treasurer for the Canadian Pony Club, [REDACTED] is the only person who is authorized to issue official receipts for the organization.

The procedure for the replacement of a lost or spoiled receipt is that the new one is marked COPY.

