

Registered Canadian Amateur
Athletic Association Information Return

CH221801147003

Identification

Name of association Canadian Pony Club	
Address 262106 Poplar Hill Drive	
City Calgary	
Province or territory Alberta	Postal code T3R1C7

Return for fiscal period ending

2	0	2	1	1	2	3	1
Year	Month						

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

0495283

BN/Registration number

131888281 R R 0001

Yes No

Yes No

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

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

Instructions

Complete the Identification area.

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

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

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

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

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

Within six 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

6110007770327

Form authorized by the Minister of National Revenue.

RECEIVED/REÇU

CISD

NCR MAILROOM

112

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. \$ 5146.85

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, Marcia Reid _____ of _____
Name of director whose signature appears below.

2. I, Brad Holub _____ of _____
Name of director whose signature appears below. 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.)

Position with the association

CPC National Finance Chair

Position with the association

CPC National Chair

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-receiving privileges, up to and including revocation of registered status.

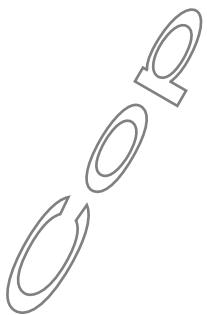
Information is described in Charities Program CRA PPU 200 and is protected under the *Privacy Act*. Individuals have a right of protection, access to and correction or notation of their personal information. Please be advised that you are entitled to complain to the Privacy Commissioner of Canada regarding 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**2022 Board of Directors**

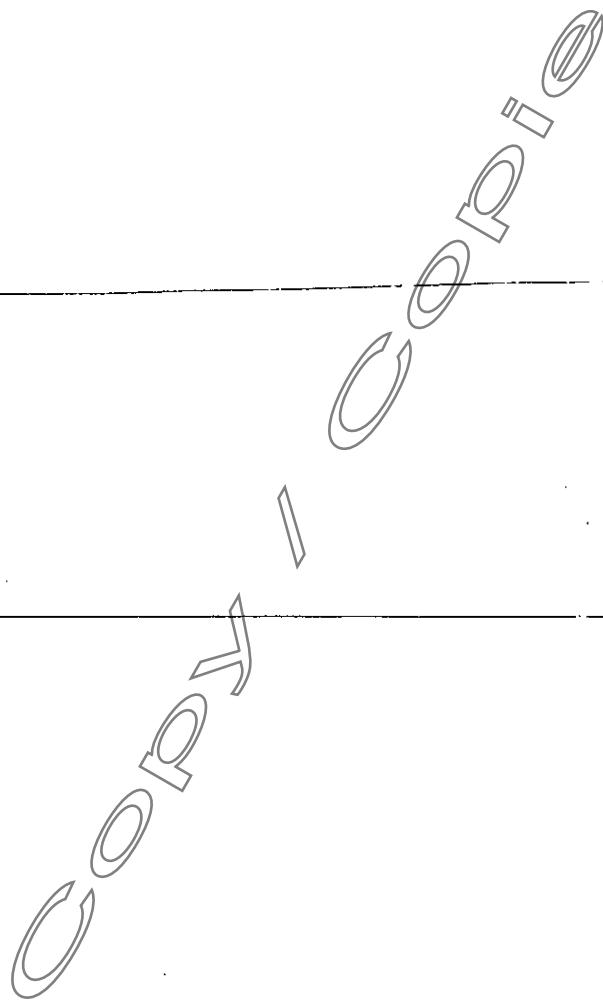
Name	Address	Occupation
Brad Holub		
Marcia Reid		
Susan Lorden		
Jane Goodliffe		
Valerie Paton		
Jennifer Hoar		
Sherry Jackson		
Alissa Cue		
Gwen Barnes		
Naomi Girling		
Laurel Gavin		
Sarah Read		
Karen Richey		
Tyra Lingley		
Ian MacLean		

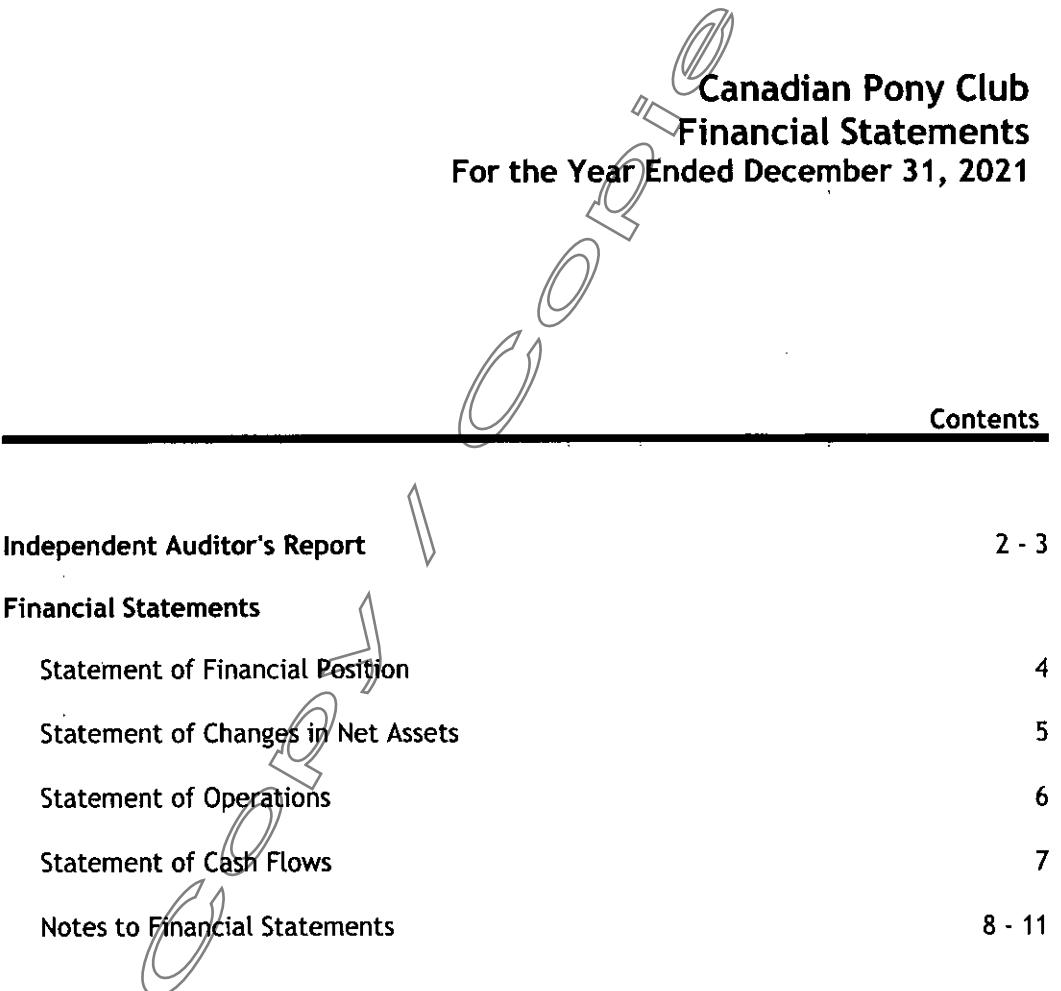


5 and 6

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.





**Canadian Pony Club
Financial Statements
For the Year Ended December 31, 2021**

Contents

Independent Auditor's Report	2 - 3
Financial Statements	
Statement of Financial Position	4
Statement of Changes in Net Assets	5
Statement of Operations	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 11

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, 2021, 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, 2021, 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 and donation 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, 2021 and 2020, current assets as at December 31, 2021 and 2020, and net assets as at January 1 and December 31 for both the 2021 and 2020 years. Our audit opinion on the financial statements for the year ended December 31, 2020 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, 2021 and 2020. 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, 2021 and 2020, current assets as at December 31, 2021 and 2020, and net assets as at January 1 and December 31 for both the 2021 and 2020 years. Our audit opinion on the financial statements for the year ended December 31, 2020 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	2021	2020
Assets		
Current		
Cash and bank (Note 2)	\$ 130,478	\$ 46,193
Short-term investments (Note 3)	285,593	270,388
Accounts receivable	4,709	9,581
Inventory	21,674	25,779
Prepaid expenses	<u>6,374</u>	<u>10,655</u>
	<u>448,828</u>	<u>362,596</u>
Long-term investments (Note 3)	<u>65,526</u>	<u>84,000</u>
	<u><u>\$ 514,354</u></u>	<u><u>\$ 446,596</u></u>
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 9,373	\$ 12,695
Deferred contributions (Note 4)	<u>14,465</u>	<u>4,645</u>
	<u>23,838</u>	<u>17,340</u>
Net Assets		
Restricted for Endowment Purposes (Note 5)	14,221	14,221
Internally Restricted (Note 6)	23,500	23,500
Unrestricted	<u>452,795</u>	<u>391,535</u>
	<u>490,516</u>	<u>429,256</u>
	<u><u>\$ 514,354</u></u>	<u><u>\$ 446,596</u></u>

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

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

For the year ended December 31	Restricted for Endowment Purposes	Internally Restricted	Unrestricted	2021 Total	2020 Total
Balance, beginning of the year	\$ 14,221	\$ 23,500	\$ 391,535	\$ 429,256	\$ 350,220
Excess of revenues over expenses	- -	- -	61,260	61,260	79,036
Balance, end of the year	<u>\$ 14,221</u>	<u>\$ 23,500</u>	<u>\$ 452,795</u>	<u>\$ 490,516</u>	<u>\$ 429,256</u>

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

**Canadian Pony Club
Statement of Operations**

For the year ended December 31	2021	2020
Revenue		
Head fees	\$ 143,370	\$ 172,340
Supply sales	8,157	8,829
Donations and sponsorships	5,147	7,759
Entry fees	45	250
Testing fees	3,950	4,100
Interest and miscellaneous	10,180	4,331
Government wage subsidies	590	1,111
	<hr/>	<hr/>
	171,439	198,720
Expenses		
Cost of supplies	4,783	3,790
Grants to regions	6,764	6,807
Insurance	8,694	7,237
Interest and bank charges	395	168
Office expenses	5,229	12,905
Other operating expenses	4,094	1,310
Professional fees	40,210	24,240
Programs	13,620	25,934
Salaries and benefits	26,390	37,293
	<hr/>	<hr/>
	110,179	119,684
Excess of revenues over expenses	<hr/>	<hr/>
	\$ 61,260	\$ 79,036

**Canadian Pony Club
Statement of Cash Flows**

For the year ended December 31	2021	2020
Cash flows from operating activities		
Excess of revenues over expenses	\$ 61,260	\$ 79,036
Changes in non-cash working capital:		
Accounts receivable	4,872	8,563
Inventory	4,105	1,610
Prepaid expenses	4,281	(9,564)
Accounts payable and accrued liabilities	(3,322)	1,456
Deferred contributions	9,820	(11,270)
	<u>81,016</u>	<u>69,831</u>
Cash flows from investing activities		
Net change in investments	<u>3,269</u>	<u>(98,767)</u>
Net increase (decrease) in cash and bank	84,285	(28,936)
Cash and bank, beginning of the year	<u>46,193</u>	<u>75,129</u>
Cash and bank, end of the year	<u>\$ 130,478</u>	<u>\$ 46,193</u>

Canadian Pony Club Notes to Financial Statements

December 31, 2021

1. Significant Accounting Policies

Nature and Purpose of Organization	<p>The Canadian Pony Club (the "Organization") is a non-profit organization incorporated without share capital under the laws of the Canada Not-for-Profit Corporations Act. The Organization functions as the national coordinating body promoting "Loyalty, Character and Sportsmanship" in young people through education and competition in equestrian activities.</p> <p>The Organization 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 Organization 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>
Contributed Services	<p>Volunteers contribute many hours per year to assist the Organization in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.</p>
Inventory	<p>Inventory includes badges, pins and various other supplies. Cost is determined using the first-in first-out method.</p>
Tangible Capital Assets	<p>The Organization's average annual revenues for the preceding two years is less than \$500,000 and, as a result, the Organization is not required to record tangible capital assets and amortize the costs over their estimated useful life. Tangible capital assets are not recorded in the statement of financial position. Tangible capital assets are expensed in the year they are acquired.</p>

Canadian Pony Club Notes to Financial Statements

December 31, 2021

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.

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.

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 period. Actual results could differ from management's best estimates as additional information becomes available in the future. Significant estimates included in these financial statements are the allowance for doubtful accounts.

2. Cash and Bank

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

The Organization has a credit card with an approved limit of \$20,000. As at December 31, 2021, the Organization had available credit of \$19,681.

Canadian Pony Club Notes to Financial Statements

December 31, 2021

3. Investments

Investments consist of guaranteed investment certificates which mature between January 2022 and July 2024. Interest rates on these investments vary from 0.10% to 3.40%. The carrying amounts of investments are comprised of the following:

	2021	2020
Fixed income securities	\$ 351,119	\$ 354,388
Less: short-term investments	(285,593)	(270,388)
Long-term investments	<u>\$ 65,526</u>	<u>\$ 84,000</u>

4. Deferred Contributions

Deferred contributions is comprised of externally restricted donations received for the purpose of granting scholarships to members and other charitable activities. The donations will be recognized as income in the year the scholarships are paid or expenses for charitable activities are incurred.

Changes in the deferred revenue balance is as follows:

	2021	2020
Beginning balance	\$ 4,645	\$ 15,915
Amounts received during the year	10,000	-
Amounts recognized as revenue in the year	(180)	(11,450)
Externally restricted donations deferred	<u>14,465</u>	<u>4,465</u>
Deferred testing and membership fees	-	180
Total deferred contributions	<u>\$ 14,465</u>	<u>\$ 4,645</u>

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, 2021 of \$14,221 (2020 - \$14,221). The interest income from this fund is unrestricted and has been credited to program costs in support of scholarships.

Canadian Pony Club Notes to Financial Statements

December 31, 2021

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.

8. COVID-19 Impact

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.

Due to the pandemic, the Organization was unable to host and attend planned events in the current year. Head fees also decreased as a result in a decrease in the number of members. As restrictions continue to be lifted, the Organization expects it will be able to host and attend events, meetings and conferences over the next fiscal year which have been included in their 2022 budget.

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.
