

BRITISH COLUMBIA AMATEUR HOCKEY ASSOCIATION

Financial Statements

Year Ended March 31, 2024

BRITISH COLUMBIA AMATEUR HOCKEY ASSOCIATION

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Year Ended March 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of British Columbia Amateur Hockey Association

Report on the Financial Statements

Opinion

We have audited the financial statements of British Columbia Amateur Hockey Association (the association), which comprise the statement of financial position as at March 31, 2024, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the association as at March 31, 2024, 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 association 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 association'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 association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the association'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:

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Independent Auditor's Report to the Members of British Columbia Amateur Hockey Association (*continued*)

- 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 association'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 association'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 association 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian Accounting Standards for Not-for-profit Organizations have been applied on a basis consistent with that of the preceding year.

Wiseman & Mills

Victoria, British Columbia
May 27, 2024

Chartered Professional Accountants

BRITISH COLUMBIA AMATEUR HOCKEY ASSOCIATION**Statement of Financial Position****March 31, 2024**

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 3,949,321	\$ 3,796,749
Accounts receivable	719,649	666,937
Prepaid expenses	495,736	523,726
	5,164,706	4,987,412
INTERNALLY RESTRICTED CASH (<i>Schedule 2</i>)	1,403,517	1,338,147
CAPITAL ASSETS (<i>Note 3</i>)	1,053,243	1,084,133
	\$ 7,621,466	\$ 7,409,692
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 1,950,730	\$ 1,942,508
Deferred revenue (<i>Note 4</i>)	707,469	694,618
Deferred contributions (<i>Note 5</i>)	245,056	260,270
	2,903,255	2,897,396
NET ASSETS		
Unrestricted general and development fund	2,261,451	2,090,016
Investment in tangible capital assets	1,053,243	1,084,133
Internally restricted funds (<i>Schedule 2</i>)	1,403,517	1,338,147
	4,718,211	4,512,296
	\$ 7,621,466	\$ 7,409,692

APPROVED ON BEHALF OF THE BOARD



Chair



Director

BRITISH COLUMBIA AMATEUR HOCKEY ASSOCIATION**Statement of Operations****Year Ended March 31, 2024**

	2024	2023
REVENUES <i>(Schedule 1)</i>	\$ 13,137,628	\$ 11,985,380
EXPENSES		
Amortization	88,831	92,335
Annual general meeting	125,979	131,163
Bad debts	4,571	6,386
Bank charges	10,997	14,227
Building occupancy	79,951	80,871
Committee travel and meetings	207,963	186,135
Communications	89,452	119,217
Fees - transfer fees	42,550	56,200
Hockey Canada assessments	175,611	-
Hockey Canada insurance	1,598,665	1,198,122
Junior A disbursements	36,000	-
Junior B disbursements	-	35,826
Office	178,476	251,260
Partnerships	98,976	-
Professional fees	35,455	39,219
Scholarship and assistance	48,085	51,000
Wages and benefits	1,083,720	918,623
Website	22,246	21,712
Programs:		
Championships	157,057	138,865
Coaching	349,233	345,880
Education	103,810	103,731
Leagues U18 F BCEHL	1,111,335	1,112,023
Leagues U18 BCEHL	1,968,592	1,883,832
Leagues U17 BCEHL	1,791,694	1,939,847
Leagues U15 BCEHL	1,807,176	1,738,963
Mentorship	111,373	81,458
Minor recreational	167,324	139,382
Officiating	530,768	490,717
Para hockey	320	3,834
Program of Excellence - female	254,257	241,302
Program of Excellence - male	555,821	602,720
Safety and risk management	95,425	114,135
Seminars and member services	-	189,738
	12,931,713	12,328,723
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 205,915	\$ (343,343)

See accompanying notes to financial statements

BRITISH COLUMBIA AMATEUR HOCKEY ASSOCIATION

Statement of Changes in Net Assets

Year Ended March 31, 2024

	Unrestricted general and development fund	Investment in tangible capital assets	Internally restricted funds	2024	2023
NET ASSETS - BEGINNING OF YEAR	\$ 2,090,016	\$ 1,084,133	\$ 1,338,147	\$ 4,512,296	\$ 4,855,639
Excess of revenues over expenses	140,545	-	65,370	205,915	(343,343)
Amortization of capital assets	186,446	(186,446)	-	-	-
Investment in capital assets	(155,556)	155,556	-	-	-
NET ASSETS - END OF YEAR	\$ 2,261,451	\$ 1,053,243	\$ 1,403,517	\$ 4,718,211	\$ 4,512,296

See accompanying notes to financial statements

BRITISH COLUMBIA AMATEUR HOCKEY ASSOCIATION**Statement of Cash Flows****Year Ended March 31, 2024**

	2024	2023
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 205,915	\$ (343,343)
Items not affecting cash:		
Amortization of capital assets	88,831	92,335
Amortization included in program expenses	97,615	100,314
	<u>392,361</u>	<u>(150,694)</u>
Changes in non-cash working capital:		
Accounts receivable	(52,712)	(38,998)
Prepaid expenses	27,990	(267,061)
Accounts payable and accrued liabilities	8,223	101,639
Deferred revenue	12,851	(134,589)
Deferred contributions	(15,214)	(8,675)
	<u>(18,862)</u>	<u>(347,684)</u>
Cash flow from (used by) operating activities	<u>373,499</u>	<u>(498,378)</u>
INVESTING ACTIVITY		
Purchase of capital assets	<u>(155,556)</u>	<u>(148,771)</u>
FINANCING ACTIVITY		
(Increase) use of internally restricted cash	<u>(65,371)</u>	<u>13,997</u>
INCREASE (DECREASE) IN CASH FLOW	152,572	(633,152)
Cash - beginning of year	<u>3,796,749</u>	<u>4,429,901</u>
CASH - END OF YEAR	\$ 3,949,321	\$ 3,796,749

See accompanying notes to financial statements

BRITISH COLUMBIA AMATEUR HOCKEY ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2024

1. PURPOSE OF THE ASSOCIATION

British Columbia Amateur Hockey Association (the "association") is a provincial organization whose purpose is to foster, improve and perpetuate the game of amateur hockey in the Province of British Columbia and the Yukon Territory. The association is incorporated under the Societies Act of British Columbia as a not-for-profit organization and is a tax exempt body under Section 149 of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and include the following significant accounting policies:

Revenue recognition

British Columbia Amateur Hockey Association 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.

Revenues from government operating grants are recognized over the term of the related funding agreements. Restricted government grants are recognized when the related expenses are incurred.

Revenues from non-government operating grants are recognized over the term of the related funding agreements. Restricted non-government grants are recognized when the related expenses are incurred.

Revenues from fees, assessments, marketing, programs, tournaments, and other sources are recognized in the year to which they relate.

Interest income is recognized when received or receivable.

Net assets

- a) Net assets invested in capital assets represents the organization's net investment in property and equipment which is comprised of the unamortized amount of property and equipment.
- 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 association each year, net of transfers, and are available for general purposes.

Cash and cash equivalents

Cash is defined as cash on hand, cash on deposit, outstanding deposits, and short-term deposits with maturity dates of less than 90 days, net of cheques issued and outstanding at the reporting date.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Building	2%	straight-line method
Computer hardware	25%	straight-line method
Computer software	25%	straight-line method
Furniture and equipment	10%	straight-line method
League equipment	50%	straight-line method
Parking lot	8%	straight-line method
Vehicles	10%	straight-line method
Website development	20%	straight-line method

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

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BRITISH COLUMBIA AMATEUR HOCKEY ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2024

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

Wage allocation

A portion of wages incurred by the association has been allocated to the expenses of certain programs administered by the association. The allocation is based on the staff time dedicated to the respective program.

Donated services and materials

The association and its members benefit from donated services in the form of volunteer time for various committees and programs. Because of the difficulty in determining fair value, donated services are not recognized in the financial statements.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets measured at amortized cost include cash, restricted cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. The most significant estimates include the collectibility of accounts receivable and the useful life of capital assets. Actual results could differ from these estimates.

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value
Land	\$ 379,624	\$ -	\$ 379,624
Building	665,779	296,819	368,960
League equipment	200,749	152,890	47,859
Vehicles	57,669	31,718	25,951
Computer hardware	92,662	56,218	36,444
Computer software	416	416	-
Furniture and equipment	229,198	141,472	87,726
Parking lot	22,188	888	21,300
Website development	161,189	75,810	85,379
	<u>\$ 1,809,474</u>	<u>\$ 756,231</u>	<u>\$ 1,053,243</u>

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BRITISH COLUMBIA AMATEUR HOCKEY ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2024

3. CAPITAL ASSETS (continued)

	Cost	Accumulated amortization	2023 Net book value
Land	\$ 379,624	\$ -	\$ 379,624
Building	665,779	283,504	382,275
League equipment	197,840	148,084	49,756
Vehicles	57,669	25,951	31,718
Computer hardware	108,178	59,209	48,969
Computer software	416	364	52
Furniture and equipment	248,952	167,484	81,468
Website development	154,799	44,528	110,271
	<u>\$ 1,813,257</u>	<u>\$ 729,124</u>	<u>\$ 1,084,133</u>

4. DEFERRED REVENUE

Deferred revenue represents amounts received that relate to a future period. Prior year amounts have all been recognized in the current year. Variances from year to year are due to the timing of events, and payments received. The current year deferred revenue balance has increased by \$12,851 from the prior year, resulting from timing of events held around year end.

5. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent resources externally restricted for a particular program and restricted operating funding received in the current year that is related to a subsequent year. Variances from year to year are due to the timing of events, and corresponding expenses incurred.

	2024	2023
Balance, beginning of the year	\$ 260,270	\$ 268,945
Deferred contributions received	473,046	484,530
Deferred contributions recognized as revenue	<u>(488,260)</u>	<u>(493,205)</u>
Balance, end of the year	<u>\$ 245,056</u>	<u>\$ 260,270</u>

The deferred contributions balances at year-end are as follows:

2017 Telus Cup Legacy Program	\$ 37,500	\$ 40,000
Community Sport Program Development Fund - Para Hockey	-	2,279
National Coach Mentorship Program	<u>207,556</u>	<u>217,991</u>
	<u>\$ 245,056</u>	<u>\$ 260,270</u>

6. EMPLOYEE FUTURE BENEFITS

The association's policy with regard to retirement allowance provides for one week's pay for each full year of employment upon retirement for eligible employees. During the year the association recorded a current expense of \$6,230 (2023: \$4,227) towards the liability.

BRITISH COLUMBIA AMATEUR HOCKEY ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2024

7. REMUNERATION PAID TO EMPLOYEES AND DIRECTORS

The association had eight employees who received remuneration of over \$75,000 during the year. The total remuneration for the eight employees was \$877,657. The Board of Directors received no remuneration during the year.

8. LITIGATION AND THE NATIONAL EQUITY FUND

The association from time to time is named in legal actions. It is anticipated that any claims arising from legal actions would be covered by liability insurance in place and/or the Canadian Hockey Association National Equity Fund.

9. CAHA PARTICIPANTS LEGACY TRUST

The CAHA Participants Legacy Trust Fund (the Trust) was established on June 1, 1999, to fund uninsured claims made against the Canadian Hockey Association (now Hockey Canada) and its predecessor, the Canadian Amateur Hockey Association, by players and former players for the period from September 1, 1986, to August 31, 1995, for matters including but not limited to sexual abuse. (No claims have been paid during the period from June 1, 1999, to the end of the current year.)

The original balance, transferred from Hockey Canada's National Equity Fund, amounted to \$7,166,361. That balance has been invested and earns investment income each year. The Beneficiaries of the Trust are the various branches of Hockey Canada, in proportion to their contributions to the National Equity Fund. The association's interest is 16.27%. The entirety of the investment income each year is paid out to the Beneficiaries, pro rata to their interest in the Trust. Such income is included in these financial statements as part of the item "Hockey Canada Funding" on Schedule 1 and amounted to \$52,675 in the current year (\$54,869 in the prior year).

The terms of the trust provide that the Trust will be terminated on the earliest of:

- a) the date when the monies and investments in the Trust have been reduced to zero
- b) a date prior to May 15, 2039, determined by the Trustees of the Trust
- c) May 15, 2039, or
- d) a date after May 15, 2039, when any unpaid claims have been settled.

Any balances remaining on the termination of the Trust will be distributed to the Beneficiaries pro rata to their interests in the Trust.

Because the activities of the Trust are not under the control of the association and both the timing and amounts that may be realized in the future from the Trust are uncertain, the association does not include its interest in the Trust in the assets on its balance sheet.

10. BCEHL TEAM ACCOUNTS

The association maintains signing authority to assist in the administration of team bank accounts for the British Columbia Elite Hockey League. As at March 31, 2024, there were a total of 32 team accounts with a total balance of \$1,151,398 (2023: 35 accounts with a total balance of \$1,091,015). The accounts are assets of the respective teams, but the association is contingently liable for any potential losses related to these accounts.

BRITISH COLUMBIA AMATEUR HOCKEY ASSOCIATION**Notes to Financial Statements****Year Ended March 31, 2024****11. GRANT ALLOCATION**

The association receives Community Gaming Grants from the Province of British Columbia. The funding received relates to specific programs and has been allocated to each program as follows:

	2024	2023
Championships	\$ 32,000	\$ 31,000
Coaching	38,500	39,200
Education	9,000	17,000
Mentorship	15,000	15,000
Minor recreation	25,000	25,000
Officiating	10,000	10,000
Program of Excellence - female	-	12,753
Program of Excellence - male	-	12,752
	\$ 129,500	\$ 162,705

12. WAGE ALLOCATION

A portion of staff wages has been allocated to program expenses as detailed below:

	2024	2023
Championships	\$ 30,000	\$ 30,000
Coaching	85,000	85,000
Education	20,000	20,000
Leagues U18 F BCEHL	60,000	60,000
Leagues U15 BCEHL	85,000	85,000
Leagues U17 BCEHL	85,000	85,000
Leagues U18 BCEHL	85,000	85,000
Mentorship	30,000	30,000
Minor recreation	55,000	55,000
Officiating	100,000	100,000
Para Hockey	-	1,000
Partnerships	93,000	-
Program of Excellence - female	25,000	25,000
Program of Excellence - male	60,000	60,000
Safety and risk management	30,000	30,000
	\$ 843,000	\$ 751,000

13. FINANCIAL INSTRUMENTS

The association 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 association's risk exposure and concentration as of March 31, 2024.

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BRITISH COLUMBIA AMATEUR HOCKEY ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2024

13. FINANCIAL INSTRUMENTS *(continued)*

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The association is exposed to credit risk from customers. In order to reduce its credit risk, the association 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 association 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 association is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources and accounts payable. The association manages its liquidity risk by monitoring cash flows from operations, and budgeting for its investing and financing activities.

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

14. COMPARATIVE FIGURES

The comparative figures have been reclassified where applicable in order to conform to the presentation used in the current year.

BRITISH COLUMBIA AMATEUR HOCKEY ASSOCIATION
Schedule of Revenues
(Schedule 1)
Year Ended March 31, 2024

	2024	2023
REVENUES		
Annual congress	\$ 27,900	\$ 70,606
Assessments	16,656	28,140
Communications	19,901	24,128
Hockey Canada funding	110,606	62,908
Interest and bank fees	257,687	128,129
Partnerships	201,450	-
Tournaments	64,285	57,200
Fees and assessments:		
BC Hockey fees	1,242,564	1,184,781
Fees - teams and player cards	108,717	97,081
Fees - transfers	66,600	81,900
Hockey Canada fees	174,915	-
Hockey Canada insurance	1,592,453	1,168,145
Grants:		
Province of BC operating grant	243,321	243,321
Other grants and awards	12,011	125,889
Programs:		
Championships	32,000	31,000
Coaching	517,725	505,037
Education	112,675	119,075
Leagues U18 F BCEHL	1,087,904	1,074,983
Leagues U18 BCEHL	1,948,690	1,910,895
Leagues U17 BCEHL	1,787,033	1,935,430
Leagues U15 BCEHL	1,815,737	1,732,725
Mentorship	126,323	96,008
Minor recreational	83,288	88,810
Officiating	484,134	252,009
Para Hockey	-	722
Program of Excellence - female	254,632	195,013
Program of Excellence - male	559,700	606,834
Safety and risk assessment	188,721	164,611
	\$ 13,137,628	\$ 11,985,380

See accompanying notes to financial statements

BRITISH COLUMBIA AMATEUR HOCKEY ASSOCIATION**Schedule of Changes in Internally Restricted Funds****(Schedule 2)****Year Ended March 31, 2024**

	2024	2023
General Contingency Fund		
General Contingency Fund - opening	\$ 1,073,668	\$ 1,045,534
General Contingency Fund - interest earned	<u>61,313</u>	<u>28,134</u>
General Contingency Fund total	<u>1,134,981</u>	<u>1,073,668</u>
Scholarship Fund		
Scholarship Fund - opening	264,479	271,327
Scholarship Fund - interest earned	15,057	7,152
Scholarship Fund - disbursements	<u>(11,000)</u>	<u>(14,000)</u>
Scholarship Fund total	<u>268,536</u>	<u>264,479</u>
Junior B Hockey Fund		
Junior B Hockey Fund - opening	-	35,283
Junior B Hockey Fund - contributions	-	543
Junior B Hockey Fund - disbursements	<u>-</u>	<u>(35,826)</u>
Junior B Hockey Fund total	<u>-</u>	<u>-</u>
Grand Total	<u>\$ 1,403,517</u>	<u>\$ 1,338,147</u>

See accompanying notes to financial statements