

**SASKATCHEWAN BROOMBALL ASSOCIATION
FINANCIAL STATEMENTS
JUNE 30, 2018**

Draft

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

To the Members of
Saskatchewan Broomball Association

Management has responsibility for preparing the accompanying financial statements and ensuring that all information on any related reports is consistent with the financial statements. This responsibility includes selecting appropriate accounting policies and making objective judgements and estimates in accordance with Canadian accounting standards for not-for-profit organizations.

In discharging its responsibilities for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded, and proper records maintained.

Ultimate responsibility for financial statements to members lies with the Board of Directors.

Marcia Herback & Associates Chartered Professional Accountants Professional Corporation, has been appointed by the members to audit the financial statements and report to them; their report follows. The independent auditor has full and free access to the Board and management to discuss their audit findings as to the integrity of the organization's financial reporting and the adequacy of the system of internal controls.

President

Treasurer

Regina, Saskatchewan

INDEPENDENT AUDITOR'S REPORT

To the Members of
Saskatchewan Broomball Association

I have audited the accompanying financial statements of Saskatchewan Broomball Association, which comprise the statement of financial position as at June 30, 2018 and the statement of revenue, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion the financial statements present fairly, in all material respects, the financial position of Saskatchewan Broomball Association as at June 30, 2018 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Regina, Saskatchewan

Marcia Herback
CPA, CA

SASKATCHEWAN BROOMBALL ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018
(with comparative figures for 2017)

	2018	2017
ASSETS		
Current assets		
Cash	\$ 35,694	\$ 27,105
Investments	60,145	49,988
Accounts receivable	2,144	3,012
Prepaid expenses	<u>8,454</u>	<u>12,426</u>
	<u>\$ 106,437</u>	<u>\$ 92,531</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 299	\$ -
Long-term liabilities		
Performance bonds (Note 3)	<u>2,500</u>	<u>2,200</u>
	2,799	2,200
NET ASSETS		
Cumulative surplus	<u>103,638</u>	<u>90,331</u>
	<u>\$ 106,437</u>	<u>\$ 92,531</u>

See accompanying notes

Approved on Behalf of the Board

Director

Director

**SASKATCHEWAN BROOMBALL ASSOCIATION
STATEMENT OF OPERATIONS AND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2018
(with comparative figures for 2017)**

	2018	2017
Revenues		
Saskatchewan Lotteries Trust Fund (Schedule 1)	\$ 173,300	\$ 176,500
Self Help - internal (Schedule 2)	57,331	43,697
Self Help - external (Schedule 3)	<u>1,563</u>	<u>60,135</u>
	<u>232,194</u>	<u>280,332</u>
Expenditures		
Administration (Schedule 4)	66,074	68,595
Categorical grants (Schedule 5)	20,400	21,302
Capacity/Interaction (Schedule 6)	23,189	90,436
Excellence (Schedule 7)	41,562	34,407
Participation (Schedule 8)	66,662	55,051
Canadian Broomball Association fees	<u>1,000</u>	<u>1,000</u>
	<u>218,887</u>	<u>270,791</u>
Excess of revenue over expenditures	13,307	9,541
Cumulative surplus, beginning of the year	<u>90,331</u>	<u>80,790</u>
Cumulative surplus, end of the year	<u>\$ 103,638</u>	<u>\$ 90,331</u>

See accompanying notes

SASKATCHEWAN BROOMBALL ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018
(with comparative figures for 2017)

	2018	2017
Operating activities		
Excess of revenues over expenditures	\$ 13,307	\$ 9,541
Net change in non-cash operating working capital balances		
Investment	(10,157)	(149)
Accounts receivable	868	1,373
Prepaid expenses	3,972	4,589
Accounts payable and accrued liabilities	299	(54)
Performance bonds	300	-
Cash provided by operating activities	<u>8,589</u>	<u>15,300</u>
Increase in cash	8,589	15,300
Cash position, beginning of year	<u>27,105</u>	<u>11,805</u>
Cash position, end of year	<u>\$ 35,694</u>	<u>\$ 27,105</u>

See accompanying notes

Draft

SASKATCHEWAN BROOMBALL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

1. Status and nature of activities

The Saskatchewan Broomball Association is incorporated under the Non-Profit Corporations Act of Saskatchewan. Under present legislation, no income taxes are payable on the reported income of such operations. The purpose of Saskatchewan Broomball Association is to promote the sport of broomball for all and the development of competitive excellence.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Capital assets

Capital assets are expensed in the year of purchase, therefore, no amortization is reflected in the accompanying financial statements. During the year capital assets of nil were recorded as expenditure.

Revenue recognition

Grants from Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation are received out of the net proceeds of lottery ticket sales in Saskatchewan. These grants have been recorded as revenue by Saskatchewan Broomball Association as approved by Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreations. Accordingly, amounts received that relate to the next fiscal period are shown as deferred revenue.

Financial instruments

The Saskatchewan Broomball Association initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash, investments and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities.

Management estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

3. Performance bonds

Senior leagues are required to submit a performance bond for each team attending the provincial championships. The following are the performance bonds held:

	<u>2018</u>	<u>2017</u>
League		
Bruno	\$ 200	\$ 200
Regina Men	400	400
Saskatoon	100	300
Debden	100	100
Southern ladies	200	200
Nationals	<u>1,500</u>	<u>1,000</u>
	<u>\$ 2,500</u>	<u>\$ 2,200</u>

SASKATCHEWAN BROOMBALL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

4. Economic dependence

The Saskatchewan Broomball Association receives significant revenue in grants from Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation. As a result, the Association is dependent upon the continuance of these grants to maintain operations at their current level.

5. Financial instruments

Saskatchewan Broomball Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Saskatchewan Broomball Association's exposure and concentrations at June 30, 2018:

Credit risk

Credit risk arises from the potential that a party may default on their financial obligations, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the Association could incur a financial loss. The Association is exposed to credit risk with respect to cash, investments and accounts receivable. The Association manages its credit risk by placing cash and investments with major financial institutions. Credit risk for accounts receivable is managed by the credit quality and diverse debtor base and creating an allowance for bad debts where applicable.

Liquidity risk

Liquidity risk is the risk that the Association may not be able to meet a demand for cash or fund its obligations as they come due or not being able to liquidate assets in a timely manner at a reasonable price. The Association is exposed to liquidity risk with respect to its investments and accounts payable and accrued liabilities but manages its liquidity risk by holding assets that can be readily converted into cash.

Interest rate risk

Interest rate risk is a type of market risk that refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The Association is exposed to interest rate risk with respect to its cash and investments and its effect on interest income. Fluctuations in interest rates do not have a significant effect on cash and investments due to the fact that interest income is not a major percentage of total revenue.

**SASKATCHEWAN BROOMBALL ASSOCIATION
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018
(with comparative figures for 2017)**

	2018	2017
Saskatchewan Lotteries Trust Fund		Schedule 1
Annual funding	\$ 148,900	\$ 138,700
Membership Assistance Program	20,400	21,300
Athlete assistance	4,000	4,000
Juvenile Nationals hosting	-	7,500
International Hosting Grant - Sask Sport	-	5,000
	<u>\$ 173,300</u>	<u>\$ 176,500</u>
 Self Help Revenue - Internal		 Schedule 2
Competitions and clinics	\$ 3,920	\$ 2,787
Donations	863	-
Membership fees	40,950	36,860
First Nations Games	11,598	-
Summer student grant	-	4,050
	<u>\$ 57,331</u>	<u>\$ 43,697</u>
 Self Help Revenue - External		 Schedule 3
Interest	\$ 75	\$ 149
International Hosting	-	55,952
Sales	300	585
Other	1,188	3,449
	<u>\$ 1,563</u>	<u>\$ 60,135</u>
 Expenditures		 Schedule 4
Administration		
Administration salary and benefits	\$ 44,779	\$ 48,210
Bank charges	36	644
Office operations	12,304	10,435
Miscellaneous	708	1,032
Audit	2,997	2,970
Insurance	5,250	5,304
	<u>\$ 66,074</u>	<u>\$ 68,595</u>

**SASKATCHEWAN BROOMBALL ASSOCIATION
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018
(with comparative figures for 2017)**

Categorical grants	2018	2017
	Schedule 5	
Membership Assistance Program		
Attackers - Bantam	\$ 204	\$ 244
Attackers - Juvenile	208	243
Attackers - Midget	222	231
Attackers Broomball	2,124	2,359
Battleford Warriors	200	-
Big River Bantam Girls	202	291
Big River Bulldogs	262	-
Big River Crusaders	221	460
Big River Crusaders Tournament	1,872	1,134
Big River Juvenile Boys	-	623
Big River Midget Bulldogs	318	-
Big River Midget Girls	221	236
Brandon Schatz	150	-
Bruno Bombshells	150	-
Bruno Jr. Axemen	243	336
Bruno Midget Boys	141	186
Bruno Midget Girls	213	203
Bruno Minor Broomball	1,559	2,026
Bruno Minor Tournament	1,989	-
Bruno Senior Broomball	1,030	1,013
Bruno T-Birds	213	200
Chad Hornung	150	-
Deanna Wild	150	-
Debden Bantam Boys	135	193
Debden Bantam Girls	263	329
Debden JR Roadrunners Boys	226	250
Debden Midget Girls	251	210
Debden Roadrunners	-	700
Debden Minor Tournament	-	2,777
Debden Speedballs	165	151
Estevan Broomball Association	100	-
Estevan Midget Boys	174	-
Estevan Raiders	228	156
Estevan Spartans	-	150
Maple Creek Bandits	-	100
Odessa Bandits	178	156
Odessa Bantam Boys	156	-
Odessa Flames	242	410
Odessa Midget Boys	196	486
Odessa Midget Girls	191	288
Odessa Minor Broomball	1,685	1,166
Odessa Senior Men's and Ladies	1,022	993
Odessa/Bruno Bantam Boys	-	120
Odessa/Bruno Bantam Girls	-	178
Saskatoon Broomball League	800	450
Saskatoon Gold Broom Committee	2,346	2,254
	<u>\$ 20,400</u>	<u>\$ 21,302</u>

**SASKATCHEWAN BROOMBALL ASSOCIATION
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018
(with comparative figures for 2017)**

	2018	2017
Capacity/Interaction		
		Schedule 6
Awards and recognition	\$ 3,480	\$ 2,406
Conference/symposiums/national meetings	1,561	2,123
Hosting	-	71,555
Marketing and promotions	2,600	3,648
Meetings	8,794	4,527
Planning	6,498	5,968
Professional leadership development	256	209
	<u>\$ 23,189</u>	<u>\$ 90,436</u>
Excellence		
		Schedule 7
Athlete assistance	\$ 4,000	\$ 4,000
Athlete development - competition	25,826	18,455
Coaches development	9,546	9,087
Officials development	2,190	2,865
	<u>\$ 41,562</u>	<u>\$ 34,407</u>
Participation		
		Schedule 8
Athlete development		
Competition	\$ 39,046	\$ 40,153
Introductory/participation	1,905	2,400
Under-represented population	8,112	-
Coaches development	14,239	10,313
Officials development	3,360	2,185
	<u>\$ 66,662</u>	<u>\$ 55,051</u>