

SASKATCHEWAN BROOMBALL ASSOCIATION
FINANCIAL STATEMENTS
JUNE 30, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Saskatchewan Broomball Association

Opinion

I have audited the accompanying financial statements of Saskatchewan Broomball Association, which comprise the statements of financial position as at June 30, 2019 and the statements of revenue, 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 and other explanatory information.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Broomball Association as at June 30, 2019 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Entity in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 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


My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

Regina, Saskatchewan
August 26, 2019


Marcia Herback
CPA, CA

SASKATCHEWAN BROOMBALL ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019
(with comparative figures for 2018)

	2019	2018
ASSETS		
Current assets		
Cash	\$ 148,829	\$ 35,694
Investments	61,318	60,145
Accounts receivable	2,120	2,144
Prepaid expenses	<u>10,404</u>	<u>8,458</u>
	<u>\$ 222,671</u>	<u>\$ 106,441</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ -	\$ 299
Deferred revenue	<u>102,900</u>	<u>-</u>
	102,900	299
Long-term liabilities		
Performance bonds (Note 3)	<u>2,500</u>	<u>2,500</u>
	105,400	2,799
NET ASSETS		
Cumulative surplus	<u>117,271</u>	<u>103,642</u>
	<u>\$ 222,671</u>	<u>\$ 106,441</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, 2019
(with comparative figures for 2018)**

	2019	2018
Revenues		
Saskatchewan Lotteries Trust Fund (Schedule 1)	\$ 181,100	\$ 173,300
Self Help - internal (Schedule 2)	47,552	57,331
Self Help - external (Schedule 3)	<u>4,391</u>	<u>1,563</u>
	<u>233,043</u>	<u>232,194</u>
Expenditures		
Administration (Schedule 4)	67,037	66,074
Categorical grants (Schedule 5)	23,600	20,400
Capacity/Interaction (Schedule 6)	19,675	23,189
Excellence (Schedule 7)	43,530	41,562
Participation (Schedule 8)	64,572	66,662
Canadian Broomball Association fees	<u>1,000</u>	<u>1,000</u>
	<u>219,414</u>	<u>218,887</u>
Excess of revenue over expenditures	13,629	13,307
Cumulative surplus, beginning of the year	<u>103,642</u>	<u>90,335</u>
Cumulative surplus, end of the year	<u>\$ 117,271</u>	<u>\$ 103,642</u>

See accompanying notes

SASKATCHEWAN BROOMBALL ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019
(with comparative figures for 2018)

	2019	2018
Operating activities		
Excess of revenues over expenditures	\$ 13,629	\$ 13,307
Net change in non-cash operating working capital balances		
Investment	(1,173)	(10,157)
Accounts receivable	24	868
Prepaid expenses	(1,946)	3,972
Accounts payable and accrued liabilities	(299)	299
Deferred revenue	<u>102,900</u>	<u>-</u>
Cash provided by operating activities	<u>113,135</u>	<u>8,289</u>
Increase in cash	113,135	8,289
Cash position, beginning of year	<u>35,694</u>	<u>27,105</u>
Cash position, end of year	<u>\$ 148,829</u>	<u>\$ 35,394</u>

See accompanying notes

SASKATCHEWAN BROOMBALL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

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>2019</u>	<u>2018</u>
League		
Bruno	\$ 200	\$ 200
Regina Men	400	400
Saskatoon	100	100
Debden	100	100
Southern ladies	200	200
Nationals	<u>1,500</u>	<u>1,500</u>
	<u>\$ 2,500</u>	<u>\$ 2,500</u>

SASKATCHEWAN BROOMBALL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

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, 2019:

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, 2019
(with comparative figures for 2018)

	2019	2018
Saskatchewan Lotteries Trust Fund		Schedule 1
Annual funding	\$ 153,500	\$ 148,900
Membership Assistance Program	23,600	20,400
Athlete assistance	4,000	4,000
	<u>\$ 181,100</u>	<u>\$ 173,300</u>
Self Help Revenue - Internal		Schedule 2
Competitions and clinics	\$ 5,592	\$ 3,920
Donations	-	863
Membership fees	41,960	40,950
First Nations Games	-	11,598
	<u>\$ 47,552</u>	<u>\$ 57,331</u>
Self Help Revenue - External		Schedule 3
Interest	\$ 1,332	\$ 75
Sales	310	300
Other	2,749	1,188
	<u>\$ 4,391</u>	<u>\$ 1,563</u>
	Expenditures	Schedule 4
Administration		
Administration salary and benefits	\$ 46,737	\$ 44,779
Bank charges	-	36
Office operations	10,641	12,304
Miscellaneous	1,037	708
Audit	2,997	2,997
Insurance	5,625	5,250
	<u>\$ 67,037</u>	<u>\$ 66,074</u>

**SASKATCHEWAN BROOMBALL ASSOCIATION
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019
(with comparative figures for 2018)**

Categorical grants	2019	2018
	Schedule 5	
Membership Assistance Program		
Attackers - Bantam	\$ 162	\$ 204
Attackers - Juvenile	402	208
Attackers - Midget	280	222
Attackers Broomball	2,668	2,124
Battleford Warriors	-	200
Big River Bantam Boys	330	-
Big River Bantam Girls	324	202
Big River Bulldogs	-	262
Big River Crusaders	279	221
Big River Crusaders Tournament	3,191	1,872
Big River Midget Bulldogs	-	318
Big River Midget Girls	226	221
Brandon Schatz	-	150
Bruno Bantam Girls	259	-
Bruno Bombshells	200	150
Bruno Jr. Axemen	238	243
Bruno Midget Boys	445	141
Bruno Midget Girls	426	213
Bruno Minor Broomball	2,439	1,559
Bruno Minor Tournament	-	1,989
Bruno/Odessa Bantom Boys	162	-
Bruno Senior Broomball	681	1,030
Bruno Jr. T-Birds	223	213
Chad Hornung	-	150
Deanna Wild	-	150
Debden Bantam Boys	237	135
Debden Bantam Girls	266	263
Debden JR Roadrunners	444	226
Debden Midget Boys	155	174
Debden Midget Girls	187	251
Debden Minor Tournament	2,835	-
Debden Speedballs	340	165
Estevan Broomball Association	-	100
Estevan Raiders	284	228
Estevan Spartans	250	-
Odessa Bandits	203	178
Odessa Bantam Boys	-	156
Odessa Flames	202	242
Odessa Midget Boys	170	196
Odessa Midget Girls	272	191
Odessa Minor Broomball	1,904	1,685
Odessa Senior Mens and Ladies	944	1,022
Saskatoon Broomball League	-	800
Saskatoon Gold Broom Committee	1,972	2,346
	<u>\$ 23,600</u>	<u>\$ 20,400</u>

SASKATCHEWAN BROOMBALL ASSOCIATION
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019
(with comparative figures for 2018)

	2019	2018
Capacity/Interaction		Schedule 6
Awards and recognition	\$ 4,139	\$ 3,480
Conference/symposiums/national meetings	2,170	1,561
Marketing and promotions	2,905	2,600
Meetings	7,447	8,794
Planning	2,904	6,498
Professional leadership development	110	256
	<u>\$ 19,675</u>	<u>\$ 23,189</u>
Excellence		Schedule 7
Athlete assistance	\$ 4,000	\$ 4,000
Athlete development - competition	27,250	25,826
Coaches development	9,972	9,546
Officials development	2,308	2,190
	<u>\$ 43,530</u>	<u>\$ 41,562</u>
Participation		Schedule 8
Athlete development		
Competition	\$ 41,503	\$ 39,046
Introductory/participation	1,730	1,905
Under-represented population	2,503	8,112
Coaches development	14,679	14,239
Officials development	4,157	3,360
	<u>\$ 64,572</u>	<u>\$ 66,662</u>