

**SASKATCHEWAN BROOMBALL ASSOCIATION**  
**FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

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 Chartered Accountant Professional Corporation, an independent firm, 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.

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President

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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, 2017 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, 2017 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, 2017**  
**(with comparative figures for 2016)**

	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 27,105	\$ 11,805
Investments	49,988	49,839
Accounts receivable	3,012	4,385
Prepaid expenses	<u>12,425</u>	<u>17,015</u>
	<u>\$ 92,530</u>	<u>\$ 83,044</u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ -	\$ 57
<b>Long-term liabilities</b>		
Performance bonds (Note 3)	<u>2,200</u>	<u>2,200</u>
	2,200	2,257
<b>NET ASSETS</b>		
<b>Cumulative surplus</b>	<u>90,330</u>	<u>80,787</u>
	<u>\$ 92,530</u>	<u>\$ 83,044</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, 2017  
(with comparative figures for 2016)**

	2017	2016
<b>Revenues</b>		
Saskatchewan Lotteries Trust Fund (Schedule 1)	\$ 176,500	\$ 172,400
Self Help - internal (Schedule 2)	43,697	51,680
Self Help - external (Schedule 3)	<u>60,135</u>	<u>76,216</u>
	<u>280,332</u>	<u>300,296</u>
<b>Expenditures</b>		
Administration (Schedule 4)	68,595	67,427
Categorical grants (Schedule 5)	21,300	18,900
Capacity/Interaction (Schedule 6)	90,436	107,102
Excellence (Schedule 7)	34,407	39,426
Participation (Schedule 8)	55,051	63,706
Canadian Broomball Association fees	<u>1,000</u>	<u>1,000</u>
	<u>270,789</u>	<u>297,561</u>
<b>Excess of revenue over expenditures</b>	9,543	2,735
<b>Cumulative surplus, beginning of the year</b>	<u>80,787</u>	<u>78,052</u>
<b>Cumulative surplus, end of the year</b>	<u>\$ 90,330</u>	<u>\$ 80,787</u>

See accompanying notes

**SASKATCHEWAN BROOMBALL ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2017**  
**(with comparative figures for 2016)**

	<b>2017</b>	<b>2016</b>
<b>Operating activities</b>		
Excess of revenues over expenditures	\$ 9,543	\$ 2,735
Net change in non-cash operating working capital balances		
Investment	(149)	(101)
Accounts receivable	1,373	35
Prepaid expenses	4,590	(2,696)
Accounts payable and accrued liabilities	<u>(57)</u>	<u>4</u>
Cash provided by (used in) operating activities	<u>15,300</u>	<u>(23)</u>
<b>Increase (decrease) in cash</b>	15,300	(23)
<b>Cash position, beginning of year</b>	<u>11,805</u>	<u>11,828</u>
<b>Cash position, end of year</b>	<u>\$ 27,105</u>	<u>\$ 11,805</u>

See accompanying notes

Draft

**SASKATCHEWAN BROOMBALL ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

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**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>2017</u>	<u>2016</u>
League		
Bruno	\$ 200	\$ 200
Regina Men	400	400
Saskatoon	300	300
Debden	100	100
Southern ladies	200	200
Nationals	<u>1,000</u>	<u>1,000</u>
	<u>\$ 2,200</u>	<u>\$ 2,200</u>

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**SASKATCHEWAN BROOMBALL ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

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**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, 2017:

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.

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**SASKATCHEWAN BROOMBALL ASSOCIATION**  
**SCHEDULES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2017**  
**(with comparative figures for 2016)**

	<b>2017</b>	<b>2016</b>
<b>Saskatchewan Lotteries Trust Fund</b>		<b>Schedule 1</b>
Annual funding	\$ 138,700	\$ 134,500
Membership Assistance Program	21,300	18,900
Athlete assistance	4,000	4,000
Juvenile Nationals hosting	7,500	-
International Hosting Grant - Sask Sport	<u>5,000</u>	<u>15,000</u>
	<u>\$ 176,500</u>	<u>\$ 172,400</u>
<b>Self Help Revenue - Internal</b>		<b>Schedule 2</b>
Competitions and clinics	\$ 2,787	\$ 6,035
Membership fees	36,860	42,145
Summer student grant	<u>4,050</u>	<u>3,500</u>
	<u>\$ 43,697</u>	<u>\$ 51,680</u>
<b>Self Help Revenue - External</b>		<b>Schedule 3</b>
Interest	\$ 149	\$ 101
International Hosting	55,952	73,784
Sales	585	673
Other	<u>3,449</u>	<u>1,658</u>
	<u>\$ 60,135</u>	<u>\$ 76,216</u>
<b>Expenditures</b>		<b>Schedule 4</b>
<b>Administration</b>		
Administration salary and benefits	\$ 48,210	\$ 45,287
Bank charges	644	-
Office operations	10,435	12,212
Miscellaneous	1,032	1,717
Audit	2,970	3,025
Insurance	<u>5,304</u>	<u>5,186</u>
	<u>\$ 68,595</u>	<u>\$ 67,427</u>

**SASKATCHEWAN BROOMBALL ASSOCIATION  
SCHEDULES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017  
(with comparative figures for 2016)**

<b>Categorical grants</b>	<b>2017</b>	<b>2016</b>
		<b>Schedule 5</b>
<b>Membership Assistance Program</b>		
Aberdeen/Vonda Midget Girls Attackers	\$ -	\$ 398
Attackers - Bantam	244	-
Attackers - Juvenile	243	-
Attackers - Midget	231	-
Attackers Broomball	2,359	-
Big River Bantam Girls	291	276
Big River Crusaders	460	337
Big River Crusaders Tournament	1,134	1,015
Big River Juvenile Boys	623	-
Big River Midget Girls	236	231
Bruno Jr. Axemen	336	301
Bruno Midget Boys	186	258
Bruno Midget Girls	203	247
Bruno Minor Broomball	2,026	2,172
Bruno Primetimers	-	50
Bruno Senior Broomball	1,012	1,235
Bruno T-Birds	200	312
Debden Bantam Boys	193	-
Debden Bantam Girls	329	321
Debden JR Roadrunners Boys	250	-
Debden Midget Boys	-	243
Debden Midget Girls	210	231
Debden Roadrunners	700	272
Debden Minor Tournament	2,777	2,800
Debden Speedballs	151	284
Estevan Raiders	156	301
Estevan Raiderettes	-	246
Estevan Spartans	150	150
Maple Creek Bandits	100	-
Odessa Bandits	156	264
Odessa Flames	410	279
Odessa Midget Boys	486	213
Odessa Midget Girls	288	247
Odessa Minor Broomball	1,165	2,078
Odessa Senior Men's and Ladies	993	1,494
Odessa Storm	-	100
Odessa/Bruno Bantam Boys	120	-
Odessa/Bruno Bantam Girls	178	-
Saskatoon Broomball League	450	-
Saskatoon Gold Broom Committee	2,254	2,475
Wolfpack	-	70
	<u>\$ 21,300</u>	<u>\$ 18,900</u>

**SASKATCHEWAN BROOMBALL ASSOCIATION**  
**SCHEDULES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2017**  
**(with comparative figures for 2016)**

	2017	2016
<b>Capacity/Interaction</b>		<b>Schedule 6</b>
Awards and recognition	\$ 2,406	\$ 3,059
Conference/symposiums/national meetings	2,123	2,811
Hosting	71,555	88,784
Marketing and promotions	3,648	3,239
Meetings	4,527	6,593
Planning	5,968	2,464
Professional leadership development	209	152
	<u>\$ 90,436</u>	<u>\$ 107,102</u>
<b>Excellence</b>		<b>Schedule 7</b>
Athlete assistance	\$ 4,000	\$ 4,000
Athlete development - competition	18,455	24,599
Coaches development	9,087	8,832
Officials development	2,865	1,995
	<u>\$ 34,407</u>	<u>\$ 39,426</u>
<b>Participation</b>		<b>Schedule 8</b>
Athlete development		
Competition	\$ 40,153	\$ 38,657
Introductory/participation	2,400	5,958
Under-represented population	-	783
Coaches development	10,313	14,492
Officials development	2,185	3,816
	<u>\$ 55,051</u>	<u>\$ 63,706</u>