

Financial Statements of

**SASKATCHEWAN SOCCER  
ASSOCIATION INC.**

Year ended December 31, 2016



KPMG LLP  
Hill Centre Tower II  
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## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

To the Members of Saskatchewan Soccer Association Inc.

We have audited the accompanying financial statements of Saskatchewan Soccer Association Inc., which comprise the statement of financial position as at December 31, 2016, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 our 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, we consider 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Soccer Association Inc. as at December 31, 2016, 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.

**KPMG LLP**

Chartered Professional Accountants

February 20, 2017  
Regina, Canada

# Saskatchewan Soccer Association Inc.

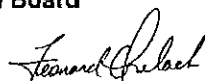
## Statement of Financial Position

As at December 31, 2016, with comparative figures for 2015

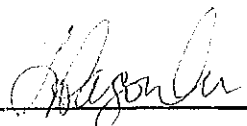
	2016	2015
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 740,063	\$ 630,939
Accounts receivable	62,661	75,451
Investments (note 4)	912,874	918,444
Prepaid expenses	43,125	24,787
	<b>1,758,713</b>	<b>1,649,621</b>
Invested In Sport Legacy Fund (note 5)	1,162	1,105
Capital assets (note 6)	27,863	23,835
	<b>\$ 1,787,738</b>	<b>\$ 1,674,561</b>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accruals (note 7)	\$ 152,693	\$ 96,548
Deferred revenue (note 8)	413,905	411,410
	<b>566,598</b>	<b>509,063</b>
Deferred Sport Legacy Fund (note 5)	1,162	1,105
<b>Net assets</b>		
Invested in capital assets	27,863	23,835
Internally restricted (note 9)	1,192,115	1,141,663
Unrestricted	-	-
	<b>1,221,140</b>	<b>1,165,498</b>
Commitments (note 11)	\$ 1,787,738	\$ 1,674,561

On Behalf of the Board

Director:



Director:



The accompanying notes are an integral part of these financial statements

# Saskatchewan Soccer Association Inc.

## Statement of Revenue Over Expenditures

For the year ended December 31, 2016 with comparative figures for 2015

	2016	2015
<b>Revenue</b>		
Sask Lotteries Trust Funding (Schedule 1)	\$ 672,406	\$ 688,400
Self Help (Schedule 2)	1,708,807	1,968,769
	<b>2,381,213</b>	<b>2,657,169</b>
<b>Expenditures</b>		
Administration (Schedule 3)	348,735	387,695
Capacity/Interaction (Schedule 4)	389,525	338,985
Participation (Schedule 5)	647,233	613,722
Excellence (Schedule 6)	589,836	898,515
Categorical Grants (Schedule 7)	351,404	375,500
	<b>2,326,733</b>	<b>2,614,417</b>
Excess of revenue over expenditures	\$ 54,480	\$ 42,752

The accompanying notes are an integral part of these financial statements

# Saskatchewan Soccer Association Inc.

## Statement of Changes in Net Assets

For the year ended December 31, 2016 with comparative figures for 2015

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	Unrestricted	Invested in capital assets	Internally restricted	2016	2015
Balance, beginning of year	\$ -	\$ 23,835	\$ 1,141,663	\$ 1,165,498	\$ 1,122,746
Excess of revenue over expenditures	67,436	(12,956)	-	54,480	42,752
Capital asset additions	-	16,984	(16,984)	-	-
Appropriations to/from unrestricted assets	(67,436)	-	67,436	-	-
<b>Balance, end of year</b>	<b>\$ -</b>	<b>\$ 27,863</b>	<b>\$ 1,192,115</b>	<b>\$ 1,219,978</b>	<b>\$ 1,165,498</b>

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The accompanying notes are an integral part of these financial statements

# Saskatchewan Soccer Association Inc.

## Statement of Cash Flows

For the year ended December 31, 2016 with comparative figures for 2015

	2016	2015
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Excess of revenue over expenditures	\$ 54,480	\$ 42,752
<b>Items not affecting cash</b>		
Amortization of capital assets	12,956	11,220
<b>Changes in working capital accounts</b>		
Accounts receivable	12,790	(35,676)
Prepaid expenses	(18,338)	16,769
Accounts payable and accruals	56,145	(37,233)
Deferred revenue	2,552	(37,773)
	<b>120,585</b>	<b>(39,941)</b>
<b>Investing Activities</b>		
Additions to capital assets	(16,984)	(14,139)
Sale (purchase) of investments	5,570	181,556
Additons to restricted cash	(57)	(97)
	<b>(11,471)</b>	<b>167,320</b>
<b>Increase (decrease) in cash</b>	<b>109,114</b>	<b>127,379</b>
<b>Cash, beginning of year</b>	<b>630,939</b>	<b>503,560</b>
<b>Cash, end of year</b>	<b>\$ 740,053</b>	<b>\$ 630,939</b>

The accompanying notes are an integral part of these financial statements

# Saskatchewan Soccer Association Inc.

## Notes to the Financial Statements

Year ended December 31, 2016

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### 1. Operations

Saskatchewan Soccer Association Inc. (the "Association") is incorporated under the Non-Profit Corporations Act of Saskatchewan. Its objectives are to promote, foster, develop and govern the game of soccer in Saskatchewan.

### 2. Basis of presentation

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-profit Organizations (Part III of the CPA Handbook - Accounting).

### 3. Significant accounting policies

#### Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less from the date of initial investment. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

#### Financial assets and liabilities

Financial instruments are recorded at fair value on initial recognition. Subsequently, they are recoded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Association has not elected to carry any such financial instruments at fair value.

Transaction cost incurred on the acquisitions of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Association determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Association expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

#### Investments

Investments are carried at fair value, with changes to fair value recorded as investment income or loss.

#### Capital assets

Capital assets are initially recorded at cost. Amortization is provided using the straight line method at rates intended to amortize the cost of assets over their estimated useful lives. In the year of acquisition, amortization is taken at one-half year of usage.

	Useful Life
Furniture and fixtures	5 Years
Computer and equipment	3 Years

#### Income taxes

The Corporation is exempt from income taxes under section 149(1)(l) of the *Income Tax Act*.

# Saskatchewan Soccer Association Inc.

## Notes to the Financial Statements

Year ended December 31, 2016

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### 3. Significant accounting policies (continued)

#### Revenue recognition

The 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 and fees are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### Internally restricted net assets

The Board of Directors have internally restricted the following net assets to be held for:

i) Revenue Stabilization

This reserve was established to provide for financial stability of operations by offsetting lottery funding decreases or an unanticipated deficit.

ii) Strategic Opportunities

This reserve was created to allow the flexibility to move forward with initiatives that enhance the Association's ability to meet the priorities of the Strategic Plan.

iii) Athlete Assistance

This reserve was created to assist eligible applicants in their pursuit of excellence through participation in the Saskatchewan Soccer Association's High Performance Programs.

iv) Equipment

This reserve was created to provide for the future equipment needs of the Association.

v) Canada Games

This reserve is to be used for the development of male and female teams, referees and coaches in preparation for the Canada Summer Games held every four years.

vi) Western Canada Games

This reserve is to be used for the development of the Western Canada Games teams, referees and coaches in preparation for the Western Canada Games.

vii) Saskatchewan Summer Games

This reserve is to be used for the development and the promotion of male and female teams, referees and coaches in preparation for the Saskatchewan Summer Games that are held every four years.

#### Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent 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 those estimates.



# Saskatchewan Soccer Association Inc.

## Notes to the Financial Statements

Year ended December 31, 2016

### 4. Investments

The investments are comprised of term deposits that have an effective interest rate of 0.90% (2015 - 1.00% and 1.50%) and maturity dates of January 19, 2017 and June 13, 2017 (2015 - February 27, 2016 and June 13, 2016), respectively.

### 5. Sport Legacy Fund

The funds on deposit and the offsetting deferred revenue from the Sport Legacy Fund consists of donations based on various programs and top-up contributions made by Sask Sport Inc. To qualify for the additional top-up contributions by Sask Sport Inc., the Association is required to leave the original amount of donation in the Legacy Fund for a minimum 5 years.

### 6. Capital assets

			2016	2015
	Cost	Accumulated amortization	Net Book Value	Net Book Value
Computer and equipment	\$ 55,695	\$ (37,201)	\$ 18,494	\$ 11,460
Furniture and fixtures	47,771	(38,402)	\$ 9,369	12,375
	\$ 103,466	\$ (75,603)	\$ 27,863	\$ 23,835

### 7. Accounts payable and accruals

Included in accounts payable and accruals are government remittances payable of \$nil (2015 - \$nil) which include amounts payable for PST and payroll related taxes.

### 8. Deferred revenue

Deferred income represents unspent resources externally restricted for specific purposes. The amounts deferred at year end are as follows:

	2016	2015
Annual Funding	\$ 177,000	\$ 171,800
Aboriginal Sport Enhancement Grant	1,954	-
HP Coaching Grant	-	21,200
MAP Grant	213,300	209,700
Program Fees	20,595	8,710
Coaches Association - Canada Games Aboriginal Apprentice Coach Program	602	-
University Athletic Assistance Grant	-	-
Western Canadian Games	-	-
Women in Coaching	-	-
	\$ 413,451	\$ 411,410

# Saskatchewan Soccer Association Inc.

## Notes to the Financial Statements

Year ended December 31, 2016

### 9. Internally restricted net assets

	Revenue Stabilization	Strategic Opportunities	Athlete Assistance	Equipment	Canada Games	Western Canada Games	Sask Summer Games	2016	2015
Balance, beginning of year	\$ 800,000	\$ 211,663	\$ 50,000	\$ 35,000	\$ 25,000	\$ 10,000	\$ 10,000	\$ 1,141,663	\$ 1,101,830
Capital asset additions	(16,984)	-	-	-	-	-	-	(16,984)	(14,139)
Appropriations to/from unrestricted net assets	16,984	50,452	-	-	-	-	-	67,436	53,972
Balance, end of year	\$ 800,000	\$ 262,115	\$ 50,000	\$ 35,000	\$ 25,000	\$ 10,000	\$ 10,000	\$ 1,192,115	\$ 1,141,663

### 10. Economic dependence

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

### 11. Commitments

The Association is committed under contracts and leases for cell phones and office equipment over the next two years as follows:

2017	\$	684
2018	\$	333

### 12. Risk management

#### *Credit risk*

The Association's principal financial assets are cash, accounts receivable and investments. The Association is exposed to credit risk with respect to these financial assets. The Association assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. Credit risk is also managed by investing in investments of a high credit quality. There has been no change to the risk exposure from 2015.

#### *Liquidity risk*

Liquidity risk is the risk that the Association will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Association manages its liquidity risk by monitoring its operating requirements. The Association prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposure from 2015.

### 13. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

# Saskatchewan Soccer Association Inc.

## Schedule 1 - Saskatchewan Lotteries Trust Funding

For the year ended December 31, 2016 with comparative figures for 2015

	2016	2015
Aboriginal Sport Enhancement Program	\$ 9,206	\$ -
Annual Funding	343,600	333,500
Coach Capacity	42,400	41,200
Hosting	-	3,000
Membership Assistance	209,700	202,700
University Athletic Assistance	40,500	81,000
Student Athlete Award	27,000	27,000
	<b>\$ 672,406</b>	<b>\$ 688,400</b>

## Schedule 2 - Self Help Revenue

For the year ended December 31, 2016 with comparative figures for 2015

	2016	2015
<b>Internal</b>		
<b>Membership fees</b>		
Affiliation	\$ 5,150	\$ 5,100
Coaches	36,104	32,752
Indoor	400,844	405,574
Outdoor	578,715	597,278
Referees	37,355	33,795
<b>Capacity Building</b>		
Administrative Fees and Recoveries	168	25,602
Forfeited Bonds & Deposits	5,006	5,725
Interest	11,083	13,767
Support Programs	13,225	7,906
<b>Participation</b>		
Athletes	1,605	3,410
Coaches	60,465	72,237
Competition	98,024	84,251
Officials	46,322	42,645
<b>Excellence</b>		
Athletes	252,118	352,915
Coaches	4,060	-
Competition	116,971	230,925
<b>External</b>		
<b>Grants</b>		
Community Initiatives Fund (Schedule 8)	-	10,000
Government Employment Grant	3,500	3,500
Participating Non-Profit Community Group Program (PNPCG)	10,720	10,720
Canada Games Apprentice Coach Grant	1,398	-
Sports Medicine & Science Support	8,032	-
Canadian Soccer Association - Regional Excel Centre (REX)	2,500	-
<b>Sponsorship</b>		
Conexus (Schedule 8)	5,000	5,000
Sponsorship	10,442	25,667
	<b>\$ 1,708,807</b>	<b>\$ 1,968,769</b>

The accompanying notes are an integral part of these financial statements

## Saskatchewan Soccer Association Inc.

### Schedule 3 - Administration Expenses

For the year ended December 31, 2016 with comparative figures for 2015

	2016	2015
Amortization	\$ 12,956	\$ 11,220
Audit	13,888	13,444
Bank & Finance charges	7,427	9,912
Bookkeeping	3,084	4,488
Insurance	39,230	43,030
Legal	5,500	35,835
Office Operations	75,433	79,659
Salaries & Benefits	191,217	190,107
	<b>\$ 348,735</b>	<b>\$ 387,695</b>

### Schedule 4 - Capacity/Interaction Expenses

For the year ended December 31, 2016 with comparative figures for 2015

	2016	2015
Awards & Recognition	\$ 22,008	\$ 13,748
Meetings	56,233	40,160
Planning	62,765	50,976
Positioning & Development		
Communications	39,406	37,047
Funds Development	2,844	4,655
Marketing & Promotions	16,587	16,586
Salaries & Benefits	159,237	146,416
Volunteer & Leadership Development	30,445	29,397
	<b>\$ 389,525</b>	<b>\$ 338,985</b>

### Schedule 5 - Participation Expenses

For the year ended December 31, 2016 with comparative figures for 2015

	2016	2015
Athlete Development		
Introductory Programs	\$ 260,079	\$ 216,190
Soccer Jam	4,421	22,423
Underrepresented Populations	18,516	28,167
Coaching Development	38,841	44,466
Competition		
Indoor	61,471	60,120
Outdoor	42,681	47,257
Sask Summer Games	16,895	-
Officials Development	29,547	26,391
Salaries & Benefits	174,782	168,708
	<b>\$ 647,233</b>	<b>\$ 613,722</b>

The accompanying notes are an integral part of these financial statements

# Saskatchewan Soccer Association Inc.

## Schedule 6 - Excellence Expenses

For the year ended December 31, 2016 with comparative figures for 2015

	2016	2015
<b>Athlete Development</b>		
Athlete Assistance	\$ 36,567	\$ 44,794
High Performance Development Centre	170,888	155,802
Indoor Showcase	28,255	38,997
Centre of Excellence	46,645	-
Training to Compete Stage 1	-	79,710
Training to Train Stage 1	630	92,846
Training to Train Stage 2	630	89,312
<b>Competition</b>		
High Performance League	8,301	-
Multi-sport	-	43,762
Nationals	73,846	128,629
Premier Soccer League	36,272	43,840
<b>Coaching Development</b>	1,498	-
<b>Officials Development</b>	46,638	51,959
<b>Salaries &amp; Benefits</b>	118,665	99,739
<b>Sport Medicine &amp; Science</b>	21,001	29,125
	<b>\$ 589,836</b>	<b>\$ 898,515</b>

## Schedule 7 - Categorical Grant Expenses

For the year ended December 31, 2016 with comparative figures for 2015

	2016	2015
<b>Categorical Grants</b>		
Aboriginal Sport Enhancement Program	\$ 9,206	\$ -
Canada Games Apprentice Coach Grant	490	-
Aboriginal Coach Grant	908	-
High Performance Coach Capacity	63,600	61,800
Hosting	-	3,000
Membership Assistance Payments (Schedule 8)	209,700	202,700
Student Athlete Award	27,000	27,000
University Athletic Assistance	40,500	81,000
	<b>\$ 351,404</b>	<b>\$ 375,500</b>

The accompanying notes are an integral part of these financial statements

# Saskatchewan Soccer Association Inc.

## Schedule 8 - Membership Assistance Grant Payments

For the year ended December 31, 2016 with comparative figures for 2015

	2016	2015
Astra Academy	\$ 937	\$ -
Battleford & District Senior Soccer	2,125	-
Battleford Youth Soccer Association	6,060	3,260
Broadview Soccer	608	1,019
Carlton Trail Soccer Association	-	2,334
Choceland Soccer Club	545	-
Esterhazy Youth Soccer	4,660	2,770
JJ Soccer Limited	687	-
Kennedy/Langbank Soccer	1,000	-
Kipling Soccer Association	741	869
La Loche Minor Sports	812	-
Lanigan & District Soccer	1,000	-
Lloydminster & District Senior Soccer	2,249	2,330
Melfort Youth Soccer Association	-	2,359
Melville Soccer Association	855	1,311
Meridian Youth Soccer Association	4,692	5,156
Moose Jaw Soccer Association	9,446	5,945
Moose Mountain District	431	1,279
Prince Albert Youth Soccer Association	8,726	7,667
Qu'Appelle Valley Soccer Association	7,457	8,623
Queen City United Soccer Club	8,199	10,840
Regina Soccer Association	27,440	48,108
Regina Soccer Referees Association	7,884	7,761
Regina United Futsal Federation	3,660	1,000
Saskatoon Adult Soccer	18,170	21,062
Saskatoon District Soccer Referee Association	3,184	2,379
Saskatoon Fustal Association	1,581	-
Saskatoon Youth Soccer Association	38,024	32,355
Shaunavon Soccer Association	-	2,500
Springside Minor Sports	3,841	1,000
Stoughton Soccer Club	4,000	1,000
Swift Current Soccer Association	6,003	5,229
United Soccer Organization	6,100	-
Valley Soccer Association	18,303	12,990
Vibank Soccer	1,000	5,958
Weyburn Soccer Association	2,557	2,543
Yorkton United FC	6,723	3,053
	<b>\$ 209,700</b>	<b>\$ 202,700</b>

The accompanying notes are an integral part of these financial statements



KPMG LLP  
Hill Centre Tower II  
1881 Scarth Street, 20th Floor  
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**PRIVATE & CONFIDENTIAL**

Mr. Doug Pederson  
Executive Director  
Saskatchewan Soccer Association Inc.  
1870 Lorne Street  
Regina, SK S4P 2L7

February 24, 2017

Dear Mr. Pederson:

**FINANCIAL STATEMENTS**

We enclose 2 copies of the financial statements of Saskatchewan Soccer Association Inc. (the "Company") with our Auditors' Report, for the fiscal period ended December 31, 2016.

Should you have any questions or if we can be of any further assistance, please do not hesitate to contact us.

Yours truly,

A handwritten signature in black ink that reads 'Jamie Wilson'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Jamie Wilson, CPA, CA  
Partner, KPMG Enterprise  
*Audit and Business Advisory Services*  
306-791-1215

JW:lp

Enclosures