

Financial Statements of

**SASKATCHEWAN SOCCER
ASSOCIATION INC.**

Year ended December 31, 2017

MANAGEMENT'S RESPONSIBILITY

To the Members of Saskatchewan Soccer Association Inc.:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of Directors who are neither management nor employees of the Association. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Association's external auditors.

KPMG LLP is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

February 12, 2018



Executive Director



KPMG LLP
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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, 2017, the statements of revenue over expenditures, 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, 2017, 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 12, 2018
Regina, Canada

Saskatchewan Soccer Association Inc.

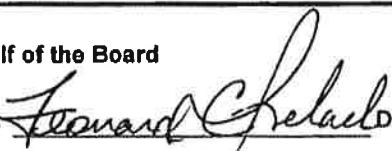
Statement of Financial Position

As at December 31, 2017, with comparative information for 2016

	2017	2016
Assets		
Current		
Cash	\$ 515,299	\$ 740,053
Accounts receivable	41,029	62,661
Investments (note 4)	1,200,000	912,874
Prepaid expenses	44,095	43,125
	1,800,423	1,758,713
Invested in Sport Legacy Fund (note 5)	1,221	1,162
Capital assets (note 6)	23,829	27,863
	\$ 1,825,473	\$ 1,787,738
Liabilities and Net Assets		
Current		
Accounts payable and accruals (note 7)	\$ 145,025	\$ 152,693
Deferred revenue (note 8)	426,080	413,905
	571,105	566,598
Deferred Sport Legacy Fund (note 5)	1,221	1,162
Net assets		
Invested in capital assets	23,829	27,863
Internally restricted (note 9)	1,229,318	1,192,115
	1,253,147	1,219,978
Commitments (note 11)	\$ 1,825,473	\$ 1,787,738

On Behalf of the Board

Director:

 Leonard Chelack

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, 2017 with comparative information for 2016

	2017	2016
Revenue		
Sask Lotteries Trust Funding (Schedule 1)	\$ 743,244	\$ 672,406
Self Help (Schedule 2)	1,618,108	1,708,807
	2,361,352	2,381,213
Expenditures		
Administration (Schedule 3)	365,710	348,735
Capacity/Interaction (Schedule 4)	359,993	389,525
Participation (Schedule 5)	599,710	647,233
Excellence (Schedule 6)	589,677	589,836
Categorical Grants (Schedule 7)	413,093	351,404
	2,328,183	2,326,733
Excess of revenue over expenditures	\$ 33,169	\$ 54,480

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, 2017 with comparative information for 2016

	Unrestricted	Invested in capital assets	Internally restricted	2017	2016
Balance, beginning of year	\$ -	\$ 27,863	\$ 1,192,115	\$ 1,219,978	\$ 1,165,498
Excess of revenue over expenditures	46,758	(13,589)	-	33,169	54,480
Capital asset additions	-	9,555	(9,555)	-	-
Appropriations to/from unrestricted assets	(46,758)	-	46,758	-	-
Balance, end of year	\$ -	\$ 23,829	\$ 1,229,318	\$ 1,253,147	\$ 1,219,978

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, 2017 with comparative information for 2016

	2017	2016
Cash provided by (used for) the following activities		
Operating activities		
Excess of revenue over expenditures	\$ 33,169	\$ 54,480
Items not affecting cash		
Amortization of capital assets	13,589	12,956
Changes in non-cash working capital accounts		
Accounts receivable	21,632	12,790
Prepaid expenses	(970)	(18,338)
Accounts payable and accruals	(7,668)	56,145
Deferred revenue	12,234	2,552
	71,986	120,585
Investing Activities		
Additions to capital assets	(9,555)	(16,984)
(Purchase) sale of investments	(287,126)	5,570
Additions to Sport Legacy Fund	(59)	(57)
	(296,740)	(11,471)
(Decrease) increase in caash	(224,754)	109,114
Cash, beginning of year	740,053	630,939
Cash, end of year	\$ 515,299	\$ 740,053

The accompanying notes are an integral part of these financial statements

Saskatchewan Soccer Association Inc.

Notes to the Financial Statements

Year ended December 31, 2017

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

Financial assets and liabilities

Financial instruments are recorded at fair value on initial recognition. Subsequently, they are recorded 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 costs 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, 2017

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, 2017

4. Investments

The investments are comprised of term deposits that have an effective interest rate of 0.90% and 1.10% (2016 - 0.90%) and maturity dates of January 19, 2018 and July 20, 2018 (2016 - January 19, 2017 and June 13, 2017), 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

			2017		2016	
	Cost		Accumulated amortization	Net Book Value	Net Book Value	
Computer and equipment	\$	54,201	\$	(42,052)	\$	12,149
Furniture and fixtures		58,821		(47,141)	\$	11,680
	\$	113,022	\$	(89,193)	\$	23,829
					\$	27,863

7. Accounts payable and accruals

Included in accounts payable and accruals are government remittances payable of \$nil (2016 - \$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:

	2017		2016	
Annual Funding	\$	189,650	\$	177,000
Aboriginal Sport Enhancement Grant		-		1,954
MAP Grant		220,700		213,300
Program Fees		15,730		20,595
Coaches Association - Canada Games Aboriginal Apprentice Coach Program		-		602
	\$	426,080	\$	413,451

Saskatchewan Soccer Association Inc.

Notes to the Financial Statements

Year ended December 31, 2017

9. Internally restricted net assets

	Revenue Stabilization	Strategic Opportunities	Athlete Assistance	Equipment	Canada Games	Western Canada Games	Sask Summer Games	2017	2016
Balance, beginning of year	\$ 800,000	\$ 262,115	\$ 50,000	\$ 35,000	\$ 25,000	\$ 10,000	\$ 10,000	\$ 1,192,115	\$ 1,141,663
Capital asset additions	(9,555)	-	-	-	-	-	-	(9,555)	(16,984)
Appropriations to/from unrestricted net assets	9,555	37,203	-	-	-	-	-	46,758	67,436
Balance, end of year	\$ 800,000	\$ 299,318	\$ 50,000	\$ 35,000	\$ 25,000	\$ 10,000	\$ 10,000	\$ 1,229,318	\$ 1,192,115

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 for cell phones over the next two years as follows:

2018	\$	4,793
2019		1,490

12. Risk management

Credit risk

The Association's principal financial assets are cash, accounts receivable, investments and invested in Sport Legacy Fund. The Association is exposed to credit risk with respect to these financial assets up to a maximum of the carrying amount on the statement of financial position. 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 2016.

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 2016.

Saskatchewan Soccer Association Inc.

Schedule 1 - Saskatchewan Lotteries Trust Funding

For the year ended December 31, 2017 with comparative information for 2016

	2017	2016
Aboriginal Sport Enhancement Program	\$ 59,744	\$ 9,206
Annual Funding	354,000	343,600
Coach Capacity	43,700	42,400
Hosting	5,000	-
Membership Assistance	213,300	209,700
University Athletic Assistance	40,500	40,500
Student Athlete Award	27,000	27,000
	\$ 743,244	\$ 672,406

Schedule 2 - Self Help Revenue

For the year ended December 31, 2017 with comparative information for 2016

	2017	2016
Internal		
Membership fees		
Affiliation	\$ 5,425	\$ 5,150
Coaches	30,968	36,104
Indoor	368,906	400,844
Outdoor	537,644	578,715
Referees	34,295	37,355
Capacity Building		
Administrative Fees and Recoveries	8	168
Forfeited Bonds & Deposits	8,692	5,006
Interest	12,527	11,083
Support Programs	17,311	13,225
Participation		
Athletes	7,619	1,605
Coaches	65,144	60,465
Competition	98,175	98,024
Officials	38,045	46,322
Excellence		
Athletes	231,944	252,118
Coaches	13,750	4,060
Competition	88,637	116,971
External		
Grants		
Government Employment Grant	-	3,500
Participating Non-Profit Community Group Program (PNPCG)	10,720	10,720
Canada Games Apprentice Coach Grant	2,602	1,398
Sports Medicine & Science Support	9,500	8,032
Canadian Soccer Association - Regional Excel Centre (REX)	10,000	2,500
Sponsorship		
Conexus	-	5,000
Sponsorship	26,196	10,442
	\$ 1,618,108	\$ 1,708,807

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, 2017 with comparative information for 2016

	2017	2016
Amortization	\$ 13,589	\$ 12,956
Audit	14,374	13,888
Bank & Finance charges	6,841	7,427
Bookkeeping	3,867	3,084
Insurance	41,660	39,230
Legal	35,240	5,500
Office Operations	66,707	75,433
Recruitment	11,757	-
Salaries & Benefits	171,675	191,217
	\$ 365,710	\$ 348,735

Schedule 4 - Capacity/Interaction Expenses

For the year ended December 31, 2017 with comparative information for 2016

	2017	2016
Awards & Recognition	\$ 17,572	\$ 22,008
Meetings	29,369	56,233
Planning	48,466	62,765
Positioning & Development		
Communications	32,251	39,406
Funds Development	4,083	2,844
Marketing & Promotions	40,524	16,587
Salaries & Benefits	158,110	159,237
Volunteer & Leadership Development	29,618	30,445
	\$ 359,993	\$ 389,525

Schedule 5 - Participation Expenses

For the year ended December 31, 2017 with comparative information for 2016

	2017	2016
Athlete Development		
Introductory Programs	\$ 230,810	\$ 260,079
Soccer Jam	-	4,421
Underrepresented Populations	23,978	18,516
Coaching Development	41,272	38,841
Competition		
Indoor	57,715	61,471
Outdoor	32,595	42,681
Sask Summer Games	-	16,895
Officials Development	14,177	29,547
Salaries & Benefits	199,163	174,782
	\$ 599,710	\$ 647,233

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, 2017 with comparative information for 2016

	2017	2016
Athlete Development		
Athlete Assistance	\$ 30,179	\$ 36,567
High Performance Development Centre	148,129	170,888
Indoor Showcase	-	28,255
Centre of Excellence	15,592	46,645
Training to Train Stage 1	-	630
Training to Train Stage 2	-	630
Competition		
High Performance League	51,034	8,301
Multi-sport	28,422	-
Nationals	28,779	73,846
Premier Soccer League	29,166	36,272
Coaching Development	7,778	1,498
Officials Development	47,298	46,638
Salaries & Benefits	174,247	118,665
Sport Medicine & Science	29,053	21,001
	\$ 589,677	\$ 589,836

Schedule 7 - Categorical Grant Expenses

For the year ended December 31, 2017 with comparative information for 2016

	2017	2016
Categorical Grants		
Aboriginal Sport Enhancement Program	\$ 59,744	\$ 9,206
Canada Games Apprentice Coach Grant	1,999	490
Aboriginal Coach Grant	-	908
High Performance Coach Capacity	65,550	63,600
Hosting	5,000	-
Membership Assistance Payments (Schedule 8)	213,300	209,700
Student Athlete Award	27,000	27,000
University Athletic Assistance	40,500	40,500
	\$ 413,093	\$ 351,404

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, 2017 with comparative information for 2016

	2017	2016
Astra Academy	\$ 3,895	\$ 937
Battleford & District Senior Soccer	599	2,125
Battleford Youth Soccer Association	3,784	6,060
Broadview Soccer	404	608
Canora Soccer Club	704	-
Choiceland Soccer Club	1,894	545
Esterhazy Youth Soccer	1,000	4,660
Estevan Youth & Mini Soccer	1,290	-
Ginga Futsal Academy	2,595	-
Ile a la Crosse Friendship Centre	5,297	-
JJ Soccer Limited	1,386	687
Kennedy/Langbank Soccer	-	1,000
Kindersley Minor Soccer	2,423	-
Kipling Soccer Association	2,783	741
La Loche Minor Sports	-	812
Lanigan & District Soccer	1,732	1,000
Lloydminster & District Senior Soccer	1,915	2,249
Melfort Youth Soccer Association	1,431	-
Melville Soccer Association	982	855
Meridian Youth Soccer Association	4,836	4,692
Montmartre & District Soccer	1,000	-
Moose Jaw Soccer Association	7,022	9,446
Moose Mountain District	975	431
Poundmaker Youth Soccer	1,000	-
Prince Albert Youth Soccer Association	10,509	8,726
Qu'Appelle Valley Soccer Association	7,342	7,457
Queen City United Soccer Club	13,653	8,199
Redvers Soccer Club	875	-
Regina Soccer Association	28,745	27,440
Regina Soccer Referees Association	2,604	7,884
Regina United Futsal Federation	3,634	3,660
Rosetown Soccer	1,000	-
Saskatoon Adult Soccer	17,437	18,170
Saskatoon District Soccer Referee Association	900	3,184
Saskatoon Futsal Association	5,203	1,581
Saskatoon Youth Soccer Association	36,273	38,024
Springside Minor Sports	217	3,841
Stoughton Soccer Club	1,810	4,000
Swift Current Soccer Association	6,113	6,003
TD Soccer	1,000	-
Town of Eston	1,000	-
United Soccer Organization	-	6,100
Valley Soccer Association	18,043	18,303
Vibank Soccer	1,000	1,000
Wawota Minor Soccer	3,250	-
Weyburn Soccer Association	3,745	2,557
Yorkton United FC	-	6,723
	\$ 213,300	\$ 209,700

The accompanying notes are an integral part of these financial statements