

Financial Statements of

**SASKATCHEWAN SOCCER  
ASSOCIATION INC.**

Year ended December 31, 2015



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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, 2015, 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, 2015, 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, 2016  
Regina, Canada

# Saskatchewan Soccer Association Inc.

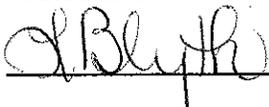
## Statement of Financial Position

As at December 31, 2015, with comparative figures for 2014

	2015	2014
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 630,939	\$ 503,560
Accounts receivable	75,451	39,775
Investments (note 4)	918,444	1,100,000
Prepaid expenses	24,787	41,556
	<b>1,649,621</b>	<b>1,684,891</b>
Invested in Sport Legacy Fund (note 5)	1,105	1,008
Capital assets (note 6)	23,835	20,916
	<b>\$ 1,674,561</b>	<b>\$ 1,706,815</b>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accruals (note 7)	\$ 96,548	\$ 133,781
Deferred Sport Legacy Fund revenue (note 5)	1,105	1,008
Deferred revenue (note 8)	411,410	449,280
	<b>509,063</b>	<b>584,069</b>
<b>Net assets</b>		
Invested in capital assets	23,835	20,916
Internally restricted (note 9)	1,141,663	1,101,830
Unrestricted	-	-
	<b>1,165,498</b>	<b>1,122,746</b>
Commitments (note 11)	<b>\$ 1,674,561</b>	<b>\$ 1,706,815</b>

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, 2015 with comparative figures for 2014

	2015	2014
<b>Revenue</b>		
Sask Lotteries Trust Funding (Schedule 1)	\$ 688,400	\$ 657,993
Self Help (Schedule 2)	1,968,769	1,907,288
	<b>2,657,169</b>	<b>2,565,281</b>
<b>Expenditures</b>		
Administration (Schedule 3)	387,695	341,064
Capacity/Interaction (Schedule 4)	338,985	256,620
Participation (Schedule 5)	613,722	611,916
Excellence (Schedule 6)	898,515	796,462
Categorical Grants (Schedule 7)	375,500	363,793
	<b>2,614,417</b>	<b>2,369,854</b>
Excess of revenue over expenditures	\$ 42,752	\$ 195,427

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, 2015 with comparative figures for 2014

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	Unrestricted	Invested in capital assets	Internally restricted	2015	2014
Balance, beginning of year	\$ -	\$ 20,916	\$ 1,101,830	\$ 1,122,746	\$ 927,319
Excess of revenue over expenditures	53,972	(11,220)	-	42,752	195,427
Capital asset additions	-	14,139	(14,139)	-	-
Appropriations to/from unrestricted net assets	(53,972)	-	53,972	-	-
<b>Balance, end of year</b>	<b>\$ -</b>	<b>\$ 23,835</b>	<b>\$ 1,141,663</b>	<b>\$ 1,165,498</b>	<b>\$ 1,122,746</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, 2015 with comparative figures for 2014

	2015	2014
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Excess of revenue over expenditures	\$ 42,752	\$ 195,427
<b>Item not affecting cash</b>		
Amortization of capital assets	11,220	14,619
<b>Changes in working capital accounts</b>		
Accounts receivable	(35,676)	(8,911)
Prepaid expenses	16,769	17,384
Accounts payable and accruals	(37,233)	74,192
Deferred revenue	(37,773)	(5,348)
	<b>(39,941)</b>	<b>287,363</b>
<b>Investing Activities</b>		
Additions to capital assets	(14,139)	(18,236)
Sale (purchase) of investments	181,556	(1,100,000)
Additions to restricted cash	(97)	(49)
	<b>167,320</b>	<b>(1,118,285)</b>
<b>Increase (decrease) in cash</b>	<b>127,379</b>	<b>(830,922)</b>
<b>Cash, beginning of year</b>	<b>503,560</b>	<b>1,334,482</b>
<b>Cash, end of year</b>	<b>\$ 630,939</b>	<b>\$ 503,560</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, 2015

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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 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 acquisition 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*.

#### 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.

# Saskatchewan Soccer Association Inc.

## Notes to the Financial Statements

Year ended December 31, 2015

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### 3. Significant accounting policies (continued)

#### 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 the District development of male and female teams, referees and coaches in preparation of 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.

### 4. Investments

The investments are comprised of term deposits that have an effective interest rate of 1.00% and 1.05% (2014 - 1.00% and 1.50%) and maturity dates of February 27, 2016 and June 13, 2016 (2014 - February 27, 2015 and June 13, 2015), respectively.

# Saskatchewan Soccer Association Inc.

## Notes to the Financial Statements

Year ended December 31, 2015

### 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. To qualify for the additional top-up contributions by Sask Sport, the Association is required to leave the original amount of donation in the Legacy Fund for a minimum 5 years.

### 6. Capital assets

			2015	2014
	Cost	Accumulated amortization	Net Book Value	Net Book Value
Computer and equipment	\$ 38,711	\$ (27,251)	\$ 11,460	\$ 15,416
Furniture and fixtures	47,771	(35,396)	12,375	5,500
	\$ 86,482	\$ (62,647)	\$ 23,835	\$ 20,916

### 7. Accounts payable and accruals

Included in accounts payable and accruals are government remittances payable of \$nil (2014 - \$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:

	2015		2014
Annual Funding	\$ 171,800	\$	151,550
HP Coaching Grant	21,200		-
MAP Grant	209,700		202,700
Program Fees	8,710		27,055
SaskTel Sponsorship	-		5,500
University Athletic Assistance Grant	-		40,500
Western Canadian Games	-		18,975
Women in Coaching	-		3,000
	\$ 411,410	\$	449,280

# Saskatchewan Soccer Association Inc.

## Notes to the Financial Statements

Year ended December 31, 2015

### 9. Internally restricted net assets

	Revenue Stabilization	Strategic Opportunities	Athlete Assistance	Equipment	Canada Games	Western Canada Games	Sask Summer Games	2015	2014
Balance, beginning of year	\$ 800,000	\$ 206,830	\$ 30,000	\$ 20,000	\$ 25,000	\$ 10,000	\$ 10,000	\$ 1,101,830	\$ 910,020
Capital asset additions	(14,139)	-	-	-	-	-	-	(14,139)	(18,236)
Appropriations to/from unrestricted net assets	14,139	4,833	20,000	15,000	-	-	-	63,972	210,046
Balance, end of year	\$ 800,000	\$ 211,663	\$ 50,000	\$ 35,000	\$ 25,000	\$ 10,000	\$ 10,000	\$ 1,141,663	\$ 1,101,830

### 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:

2016	\$	2,862
2017		234

### 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.

#### 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 2014.

### 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, 2015 with comparative figures for 2014

	2015	2014
Aboriginal Sport Enhancement Program	\$ -	\$ 78,993
Annual Funding	333,500	294,200
Coaching Capacity	41,200	20,000
Hosting	3,000	1,600
Membership Assistance	202,700	195,700
University Athletic Assistance	81,000	40,500
Student Athlete Award	27,000	27,000
	<b>\$ 688,400</b>	<b>\$ 657,993</b>

## Schedule 2 - Self Help Revenue

For the year ended December 31, 2015 with comparative figures for 2014

	2015	2014
<b>Internal</b>		
<b>Membership fees</b>		
Affiliation	\$ 5,100	\$ 5,100
Coaches	32,752	38,068
Indoor	405,574	417,359
Outdoor	597,278	575,706
Referees	33,795	32,824
<b>Capacity Building</b>		
Administrative Fees and Recoveries	25,602	138
Forfeited Bonds and Deposits	5,725	4,600
Interest	13,767	17,109
Support Programs	7,906	8,599
<b>Participation</b>		
Athletes	3,410	3,647
Coaches	72,237	72,590
Competition	84,251	68,425
Officials	42,645	31,935
<b>Excellence</b>		
Athletes	352,915	300,344
Coaches	-	1,250
Competition	230,925	234,474
<b>External</b>		
<b>Grants</b>		
Community Initiatives Fund (Schedule 8)	10,000	40,000
Government Employment Grant	3,500	-
Participating Non-Profit Community Group Program (PNPCG)	10,720	10,720
<b>Sponsorship</b>		
Conexus (Schedule 8)	5,000	30,000
Sponsorship	25,667	14,400
	<b>\$ 1,968,769</b>	<b>\$ 1,907,288</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, 2015 with comparative figures for 2014

	2015	2014
Amortization	\$ 11,220	\$ 14,619
Audit	13,444	12,650
Bank and Finance charges	9,912	12,716
Bookkeeping	4,488	5,132
Insurance	43,030	45,031
Legal	35,835	21
Office Operations	79,659	82,876
Salaries and Benefits	190,107	168,019
	<b>\$ 387,695</b>	<b>\$ 341,064</b>

## Schedule 4 - Capacity/Interaction Expenses

For the year ended December 31, 2015 with comparative figures for 2014

	2015	2014
Awards and Recognition	\$ 13,748	\$ 19,574
Meetings	40,160	26,595
Planning	50,976	3,949
Positioning & Development		
Communications	37,047	34,737
Funds Development	4,655	1,466
Marketing and Promotions	16,586	13,698
Salaries and Benefits	146,416	119,678
Volunteer and Leadership Development	29,397	36,923
	<b>\$ 338,985</b>	<b>\$ 256,620</b>

## Schedule 5 - Participation Expenses

For the year ended December 31, 2015 with comparative figures for 2014

	2015	2014
Athlete Development		
Introductory Programs	\$ 216,190	\$ 214,281
Soccer Jam (schedule 8)	22,423	78,547
Underrepresented Populations	28,167	7,303
Coaching Development	44,466	45,261
Competition		
Indoor	60,120	46,753
Outdoor	47,257	49,623
Sask Summer Games	-	345
Officials Development	26,391	18,819
Salaries and Benefits	168,708	150,984
	<b>\$ 613,722</b>	<b>\$ 611,916</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, 2015 with comparative figures for 2014

	2015	2014
<b>Athlete Development</b>		
Athlete Assistance	\$ 44,794	\$ 19,718
High Performance Development Centre	155,802	81,482
Indoor Showcase	38,997	26,296
Training to Compete Stage 1	79,710	48,149
Training to Train Stage 1	92,846	86,106
Training to Train Stage 2	89,312	86,200
<b>Competition</b>		
Multi-sport	43,762	30,438
Nationals	128,629	142,574
Premier Soccer League	43,840	70,670
<b>Officials Development</b>	51,959	60,323
<b>Salaries and Benefits</b>	99,739	134,969
<b>Sport Medicine and Science</b>	29,125	9,537
	<b>\$ 898,515</b>	<b>\$ 796,462</b>

## Schedule 7 - Categorical Grant Expenses

For the year ended December 31, 2015 with comparative figures for 2014

	2015	2014
<b>Categorical Grants</b>		
Aboriginal Sport Enhancement Program	\$ -	\$ 78,993
High Performance Coach Capacity	61,800	20,000
Hosting	3,000	1,600
Membership Assistance Payments (Schedule 9)	202,700	195,700
Student Athlete Award	27,000	27,000
University Athletic Assistance	81,000	40,500
	<b>\$ 375,500</b>	<b>\$ 363,793</b>

## Schedule 8 - Soccer Jam

For the year ended December 31, 2015 with comparative figures for 2014

	Conexus	Community Initiative Fund	Saskatchewan Soccer	2015	2014
<b>Revenue</b>	\$ 5,000	\$ 10,000	\$ -	\$ 15,000	\$ 70,000
<b>Expenses</b>					
Advertising and Administration	1,315	1,596	743	3,654	8,046
Equipment	39	1,003	-	1,042	41,592
Facilities	1,644	2,180	-	3,824	303
Honoraria	1,400	6,275	1,500	9,175	22,540
Meals, Accomodation and Travel	1,812	160	2,756	4,728	6,067
	<b>6,210</b>	<b>11,214</b>	<b>4,999</b>	<b>22,423</b>	<b>78,547</b>
	<b>\$ (1,210)</b>	<b>\$ (1,214)</b>	<b>\$ (4,999)</b>	<b>\$ (7,423)</b>	<b>\$ (8,547)</b>

The accompanying notes are an integral part of these financial statements.

# Saskatchewan Soccer Association Inc.

## Schedule 9 - Membership Assistance Grant Payments

For the year ended December 31, 2015 with comparative figures for 2014

	2015	2014
Battleford Youth Soccer Association	\$ 3,260	\$ 4,000
Battleford & District Senior Soccer	-	1,733
Broadview Soccer	1,019	500
Carlton Trail Soccer Association	2,334	3,035
Eastend Soccer Association	-	1,071
Esterhazy Youth Soccer	2,770	-
Estevan Youth Soccer Association	-	887
Kipling Soccer Association	869	1,066
Lloydminster & District Senior Soccer	2,330	-
Melfort Youth Soccer Association	2,359	3,727
Melville Soccer Association	1,311	1,000
Meredian Youth Soccer Association	5,156	9,868
Moose Jaw Soccer Association	5,945	9,506
Moose Mountain District	1,279	800
Nipawin Outdoor Soccer	-	2,353
Prince Albert Youth Soccer Association	7,667	9,745
Qu'Appelle Valley Soccer Association	8,623	4,199
Queen City United Soccer Club	10,840	1,000
Redvers Soccer Club	-	1,000
Regina Soccer Association	48,108	33,665
Regina Soccer Referees Association	7,761	1,000
Regina United Futsal Federation	1,000	-
Saskatoon Adult Soccer	21,062	22,123
Saskatoon District Soccer Referee Association	2,379	6,593
Saskatoon Youth Soccer Association	32,355	47,991
Shaunavon Soccer Association	2,500	1,200
Springside Minor Sports	1,000	-
Stoughton Soccer Club	1,000	-
Swift Current Soccer Association	5,229	4,021
Tisdale Soccer Association	-	1,286
United Soccer Organization	-	915
Valley Soccer Association	12,990	12,920
Vibank Soccer	5,958	1,549
Wawota Minor Soccer	-	1,134
Weyburn Soccer Association	2,543	3,292
Yorkton United FC	3,053	2,521
	<b>\$ 202,700</b>	<b>\$ 195,700</b>