
SASKATOON ADULT SOCCER INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2022



INDEPENDENT AUDITORS' REPORT

To the Members of
Saskatoon Adult Soccer Inc.

Opinion

We have audited the accompanying financial statements of Saskatoon Adult Soccer Inc. which comprise the statement of financial position as at September 30, 2022 and the statements of revenue and expenditures, changes in net assets, cash flows and schedule of administration expenditures for the year then ended along with the summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Saskatoon Adult Soccer Inc. as at September 30, 2022 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

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Saskatoon Adult Soccer Inc. in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing Saskatoon Adult Soccer Inc.'s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate Saskatoon Adult Soccer Inc. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Saskatoon Adult Soccer Inc.'s financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our 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 auditors' report that includes our 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, we exercise and maintain professional skepticism throughout the audit. We 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 our 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 Saskatoon Adult Soccer Inc.'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 Saskatoon Adult Soccer Inc.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Saskatoon Adult Soccer Inc. 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.

We 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 we identify during our audit.


Heagy LLP

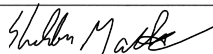
CHARTERED PROFESSIONAL ACCOUNTANTS
Saskatoon, SK
December 9, 2022

SASKATOON ADULT SOCCER INC.**STATEMENT OF FINANCIAL POSITION****AS AT SEPTEMBER 30**

	2022	2021
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash	665,604	1,151,534
Guaranteed investment certificate (note 3)	500,000	-
Accounts receivable (note 4)	16,752	14,007
Goods and services tax receivable	3,192	5,595
Prepaid expenses and advances to teams	10,727	3,836
	1,196,275	1,174,972
LONG-TERM INVESTMENTS (note 5)	68,257	77,454
TANGIBLE CAPITAL ASSETS (note 6)	59,877	72,183
	1,324,409	1,324,609
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	11,986	14,783
Deferred income	296,165	246,265
	308,151	261,048
LONG-TERM DEBT (note 8)	40,000	60,000
DEFERRED CAPITAL CONTRIBUTIONS (note 7)	19,142	22,213
	367,293	343,261
NET ASSETS		
NET ASSETS INVESTED IN TANGIBLE CAPITAL ASSETS	40,735	49,970
INTERNALLY RESTRICTED NET ASSETS (note 9)	688,443	663,621
UNRESTRICTED NET ASSETS	227,938	267,757
	957,116	981,348
	1,324,409	1,324,609

SIGNED ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

SASKATOON ADULT SOCCER INC.

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED
SEPTEMBER 30

	Invested in tangible capital assets \$	Internally Restricted \$	Unrestricted \$	2022 \$	2021 \$
BALANCE - BEGINNING OF YEAR	49,970	663,621	267,757	981,348	834,457
Deficiency (excess) of revenue over expenditures for the year	(9,235)	-	(14,997)	(24,232)	146,891
Transfer to internally restricted net assets (note 9)	-	24,822	(24,822)	-	-
	(9,235)	24,822	(39,819)	(24,232)	146,891
BALANCE - END OF YEAR	40,735	688,443	227,938	957,116	981,348

SASKATOON ADULT SOCCER INC.

STATEMENT OF REVENUE AND EXPENDITURES

FOR THE YEAR ENDED
SEPTEMBER 30

	2022 \$	2021 \$
REVENUE		
Affiliation	673,579	194,387
Referees	186,016	75,213
Registration	144,784	71,020
Capital improvement levy	24,822	13,258
Hosting	16,457	-
On-line fees	11,283	6,659
Miscellaneous	7,709	1,246
Fines and penalties	5,228	925
ID cards	1,385	80
Interest	1,129	1,307
	1,072,392	364,095
EXPENDITURES		
Indoor	382,801	54,982
Salaries and benefits	193,653	157,578
Referees fees	177,539	58,258
Registration	151,662	70,985
Outdoor	97,065	18,229
Administration (schedule)	49,456	39,603
Awards	34,454	-
Hosting	20,464	-
Interest and bank charges	18,386	9,115
Telephone	2,163	1,979
Grants	2,000	-
Miscellaneous	953	842
Bad debts	228	190
Affiliation	75	75
	1,130,899	411,836
DEFICIENCY OF REVENUE OVER EXPENDITURES FOR THE YEAR BEFORE CAPITAL AND OTHER ITEMS	(58,507)	(47,741)
CAPITAL ITEMS		
Amortization of deferred capital contributions (note 7)	3,071	2,695
Depreciation	(12,306)	(11,565)
	(9,235)	(8,870)
OTHER ITEMS		
Forgivable portion of CEBA loan (note 8)	20,000	-
Membership Assistance Program (MAP) Grants	19,995	18,046
Canada Emergency Wage Subsidy	13,841	80,353
Saskatchewan Soccer Association Stimulus	-	52,212
Saskatchewan Small Business Emergency Program	-	36,221
Canada Emergency Rent Subsidy	-	7,696
Unrealized gain (loss) on investments	(10,326)	8,974
	43,510	203,502
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENDITURES FOR THE YEAR	(24,232)	146,891

SASKATOON ADULT SOCCER INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED
SEPTEMBER 30

	2022 \$	2021 \$
OPERATING ACTIVITIES		
(Deficiency) excess of revenue over expenditures for the year	(24,232)	146,891
Items not affecting cash -		
Depreciation	12,306	11,565
Unrealized loss (gain) on investments	10,326	(8,974)
Forgivable portion of CEBA loan (note 8)	(20,000)	-
Amortization of deferred capital contributions	(3,071)	(2,695)
	(24,671)	146,787
Changes in non-cash working capital items -		
Accounts receivable	(2,745)	31,578
Goods and services tax receivable	2,403	(5,595)
Prepaid expenses and advances to teams	(6,891)	1,565
Accounts payable and accrued liabilities	(2,797)	(4,840)
Goods and services tax payable	-	(12,578)
Deferred income	49,900	132,310
Cash Provided By Operating Activities	15,199	289,227
FINANCING ACTIVITIES		
Proceeds of long-term debt	-	60,000
Additions to deferred capital contributions	-	7,508
Cash Provided By Financing Activities	-	67,508
INVESTING ACTIVITIES		
Investment in guaranteed investment certificate	(500,000)	-
Purchase of tangible capital assets	-	(14,912)
Reinvestment of income earned on long-term investments	(1,129)	(1,306)
Cash Used In Investing Activities	(501,129)	(16,218)
(DECREASE) INCREASE IN CASH POSITION	(485,930)	340,517
CASH POSITION - BEGINNING OF YEAR	1,151,534	811,017
CASH POSITION - END OF YEAR	665,604	1,151,534

SASKATOON ADULT SOCCER INC.

SCHEDULE OF ADMINISTRATION EXPENDITURES

FOR THE YEAR ENDED
SEPTEMBER 30

	2022 \$	2021 \$
Professional fees	22,266	12,614
Office rental	10,785	10,680
Advertising and promotion	7,803	748
Internet and software	1,844	-
Computer repair and maintenance	1,737	1,293
Board and staff expenses	1,631	761
Insurance	1,428	1,259
Supplies	995	2,370
Office supplies	967	191
Professional development	-	8,583
Book-keeping	-	1,087
Covid-19 supplies	-	17
	49,456	39,603

1. THE ORGANIZATION

Saskatoon Adult Soccer Inc. (the "Organization") is incorporated under the Non-Profit Corporations Act of Saskatchewan. Its objectives are to promote, foster, develop and govern the game of soccer for adult players in Saskatoon. The Association administers outdoor and indoor programming for teams registered in men's, women's, co-ed, masters, over 50 and legends leagues. As a non-profit corporation, Saskatoon Adult Soccer Inc. is not subject to income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Financial Instruments

The organization initially measures its financial assets and liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The organization subsequently measures all financial assets and financial liabilities at amortized cost except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess (deficiency) of revenue over expenditures for the year.

Financial assets measured at amortized cost include cash, guaranteed investment certificate, accounts receivable and goods and services tax receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and goods and services tax payable.

The organization's financial assets measured at fair value include marketable securities.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in excess (deficiency) of revenue over expenditures for the year. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting an allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess (deficiency) of revenue over expenditures for the year.

The organization recognizes its transaction costs in excess (deficiency) of revenue over expenditures in the year incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)***Long-Term Investments***

Long-term investments are valued at fair market value as it is considered to be the most relevant measure for financial instruments. Fair value is determined by published price quotations in an active market.

Tangible Capital Assets and Depreciation

Tangible capital assets are recorded at cost and amortized over their estimated useful lives. This requires estimation of the useful life of the asset and its salvage and residual value. When management considers that a tangible capital asset no longer contributes to the organization's ability to provide services, its carrying amount is written down to its residual value. As is true of all accounting estimates, it is possible that changes in future conditions could require changes in the recognized amounts for accounting estimates. Should an adjustment become necessary, it would be reported in earnings in the year in which it became known.

Depreciation of tangible capital assets is calculated using the straight-line method at the following annual rates:

Furniture and equipment	10%
Computer equipment	20%
Tents	20%

Depreciation on assets acquired during the year is recorded at one-half the normal annual rate. There is no depreciation recorded in the year of disposal.

Revenue Recognition

Saskatoon Adult Soccer Inc. 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 are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Affiliation fees, registration fees, ID cards and related revenue are recognized when the amount earned and the amount to be received can be reasonably estimated and collection is reasonably assured.

Government assistance is recognized as revenue in the year that the terms of the assistance have been met if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donated Materials and Services

The organization benefits from the donation of materials and services from its members. These financial statements do not reflect the value of donations in kind received in the year since a fair market value cannot be reasonably estimated.

SASKATOON ADULT SOCCER INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED
SEPTEMBER 30, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of 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 amounts of revenue and expenses during the year. Significant items subject to estimate and assumption include valuation of accounts receivable and the estimated useful lives of tangible capital assets. Actual results could differ from estimates.

3. GUARANTEED INVESTMENT CERTIFICATES

Guaranteed investment certificate matures within 12 months and bears interest at 3.15%.

4. ACCOUNTS RECEIVABLE

	2022	2021
	\$	\$
Trade receivables	15,527	3,658
Grants receivable	1,225	3,112
Canada Emergency Wage Subsidy	-	8,727
Less: allowance for doubtful accounts	-	(1,490)
	16,752	14,007

5. LONG-TERM INVESTMENTS

	2022	2021
	\$	\$
Signature Global Income & Growth Fund (DSC)	27,816	37,314
FID Global Asset Allocation Fund (DSC)	20,628	21,662
AGF World Balanced Fund (DSC)	19,813	18,478
	68,257	77,454

6. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Depreciation	Net Book Value 2022	2021
	\$	\$	\$	\$
Furniture and equipment	146,658	87,975	58,683	68,598
Computer equipment	48,098	48,098	-	-
Tents	11,954	10,760	1,194	3,585
	206,710	146,833	59,877	72,183

SASKATOON ADULT SOCCER INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED
SEPTEMBER 30, 2022

7. DEFERRED CAPITAL CONTRIBUTIONS

	2022	2021
	\$	\$
Balance - beginning of the year	22,213	17,400
Grant received for capital purchase	-	7,508
Amortization of deferred capital contributions	(3,071)	(2,695)
Balance - end of year	19,142	22,213

8. LONG-TERM DEBT

	2022	2021
	\$	\$
Non-interest bearing Canada Emergency Business Account (CEBA) loan, due December 31, 2023	40,000	60,000

The full amount of the CEBA loan received was \$60,000. As it is very likely the organization will make the required \$40,000 repayment in time to receive the \$20,000 debt forgiveness, the debt forgiveness amount has been recognized as income in the financial statements.

9. INTERNALLY RESTRICTED NET ASSETS

	2022	2021
	\$	\$
Balance - beginning of year	663,621	550,363
Capital projects player assessment	24,822	13,258
Transferred from unrestricted net assets	-	100,000
Balance - end of year	688,443	663,621

Internally restricted net assets relate to amounts that have been set aside by the board of directors for use in future capital projects as approved by the board. Individual player registration includes an assessment of \$5.50 per player as a contribution to the capital projects fund.

10. FINANCIAL RISK*Credit Risk*

Credit risk is the risk that financial instrument future cash flows will fluctuate due to changes in the financial position of entities that possess credit with the organization. The organization is subject to credit risk on its accounts receivable. Accounts receivable are non-interest bearing and teams can be disqualified if their fees are not paid, thus exposure to this risk is limited. There has been no change in risk exposure from the prior year.

Market and Interest Rate Risk

The organization is subject to market risk and interest rate risk on its investments. Management has attempted to minimize this risk by selecting a diverse portfolio of investments and by choosing investments with a variety of rates of return and maturity dates. There has been no change in risk exposure from the prior year.

11. UNCERTAINTY DUE TO THE COVID-19 HEALTH ISSUE

There is a reduced number of teams participating since COVID. The financial statements have been prepared assuming the organization will be able to continue to function and operate as it would under normal operating circumstances.