

**SASKATOON YOUTH SOCCER INC.**

**FINANCIAL STATEMENTS**

**JULY 31, 2024**



## INDEPENDENT AUDITORS' REPORT

**To the Members  
Saskatoon Youth Soccer Inc.**

### *Opinion*

We have audited the financial statements of **Saskatoon Youth Soccer Inc.** (the "Organization"), which comprise the statement of financial position as at July 31, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at July 31, 2024, and its financial performance and 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Saskatchewan, 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.

### *Information Other than the Financial Statements and Auditors' Report Thereon*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the 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 the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

## INDEPENDENT AUDITORS' REPORT continued

### *Auditor's 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 auditor's 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 professional judgment 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 the Organization'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 the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Organization 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 significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

October 23, 2024  
Saskatoon, Saskatchewan

*Virtus Group LLP*  
Chartered Professional Accountants

**SASKATOON YOUTH SOCCER INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JULY 31, 2024**  
**(with comparative figures for 2023)**

<b>ASSETS</b>		
	<u>2024</u>	<u>2023</u>
<b>Current assets</b>		
Cash	\$ 56,417	\$ 178,596
Restricted cash (Note 6)	39,743	42,667
Investments (Note 3)	201,438	607,136
Accounts receivable (Note 4)	50,747	45,039
Prepaid expenses	-	13,632
	348,345	887,070
<b>Investments (Note 3)</b>	468,103	-
<b>Tangible capital assets (Note 5)</b>	14,325	18,541
	\$ 830,773	\$ 905,611
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 66,849	\$ 115,999
Deferred revenue	27,786	12,827
Current portion of long-term debt (Note 8)	-	40,000
	94,635	168,826
<b>Referee development fund (Note 6)</b>	39,743	42,667
<b>Zone MOU alliance pathway bond deposit (Note 7)</b>	5,000	5,000
	139,378	216,493
<b>NET ASSETS</b>		
<b>Internally restricted (Note 9)</b>	475,000	331,000
<b>Unrestricted</b>	216,395	358,118
	691,395	689,118
	\$ 830,773	\$ 905,611

See accompanying notes to the financial statements.

**APPROVED BY:**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**SASKATOON YOUTH SOCCER INC.**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JULY 31, 2024**  
(with comparative figures for the year ended July 31, 2023)

	Unrestricted	Internally Restricted	2024 Total	2023 Total
<b>Balance - beginning of year</b>	\$ 358,118	\$ 331,000	\$ 689,118	\$ 617,185
<b>Excess of revenue over expenses</b>	2,277	-	2,277	71,933
<b>Interfund transfer (Note 9)</b>	(144,000)	144,000	-	-
<b>Balance - end of year</b>	<u>\$ 216,395</u>	<u>\$ 475,000</u>	<u>\$ 691,395</u>	<u>\$ 689,118</u>

See accompanying notes to the financial statements.

**SASKATOON YOUTH SOCCER INC.**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED JULY 31, 2024**  
(with comparative figures for the year ended July 31, 2023)

	(Note 12) Budget 2025	(Note 12) Budget 2024	Actual 2024	Actual 2023
<b>Revenue</b>				
<b>Sport programming:</b>				
Indoor league	\$ 1,182,602	\$ 816,785	\$ 1,011,999	\$ 823,328
Indoor sponsors and grants	250,600	260,200	251,255	261,205
Outdoor league	371,723	314,835	349,428	290,520
Mini tournaments	62,550	55,730	55,400	47,295
Provincials	-	-	-	23,761
Coach and player development	23,360	22,065	23,240	22,375
Alliance Academy & PSL	360,386	232,500	340,518	225,612
<b>Marketing and promotion:</b>				
Soccer kids in the park	24,500	28,000	27,000	28,000
Parent tot soccer	18,720	12,000	27,570	11,470
<b>Management:</b>				
Banking and ID cards	25,500	25,800	32,130	25,682
	<u>2,319,941</u>	<u>1,767,915</u>	<u>2,118,540</u>	<u>1,759,248</u>
<b>Expenses</b>				
<b>Sport programming:</b>				
Indoor program	1,145,000	737,439	974,989	777,610
Indoor SSA registration fee	105,250	68,188	97,890	80,526
Outdoor program	116,818	103,856	116,843	83,917
Outdoor SSA registration fee	128,000	128,059	127,434	102,530
Mini tournaments	23,152	27,148	25,533	26,633
Youth tournaments	-	-	-	100
Provincials	-	-	-	22,840
Coach and player development	8,526	8,200	8,735	7,188
Alliance Academy & PSL	293,468	190,700	264,607	179,907
Zone funding	19,500	20,000	18,325	11,823
National team funding	6,000	6,000	6,652	3,765
<b>Marketing and promotion:</b>				
Soccer kids in the park	25,216	28,900	25,692	27,516
Parent tot soccer	14,331	6,300	14,432	4,959
Advertising and appreciation	33,112	35,400	48,509	29,507
<b>Organizational development and governance:</b>				
Meetings, memberships, and board	2,589	3,555	5,513	3,297
<b>Management:</b>				
Office and administrative	56,525	46,711	50,993	46,421
Organizational support and wages	348,808	362,960	330,116	278,776
	<u>2,326,295</u>	<u>1,773,416</u>	<u>2,116,263</u>	<u>1,687,315</u>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ (6,354)</b>	<b>\$ (5,501)</b>	<b>\$ 2,277</b>	<b>\$ 71,933</b>

See accompanying notes to the financial statements.

**SASKATOON YOUTH SOCCER INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JULY 31, 2024**  
(with comparative figures for the year ended July 31, 2023)

	<u>2024</u>	<u>2023</u>
<b>Cash provided by (used in) operating activities:</b>		
Excess of revenue over expenses	\$ 2,277	\$ 71,933
Items not involving cash:		
- Amortization	4,682	4,635
	<u>6,959</u>	<u>76,568</u>
Non-cash operating working capital (Note 10)	(26,267)	37,515
	<u>(19,308)</u>	<u>114,083</u>
<b>Cash provided by (used in) investing activities:</b>		
Additions to investments	(669,541)	(517,742)
Proceeds on disposal of investments	607,136	607,760
Decrease (increase) in restricted cash	2,924	4,088
Additions to tangible capital assets	(466)	-
	<u>(59,947)</u>	<u>94,106</u>
<b>Cash provided by (used in) financing activities:</b>		
Decrease in referee development fund	(2,924)	(4,088)
Repayment of long-term debt	(40,000)	-
	<u>(42,924)</u>	<u>(4,088)</u>
<b>Increase (decrease) in cash</b>	(122,179)	204,101
<b>Cash (bank indebtedness) - beginning of year</b>	<u>178,596</u>	<u>(25,505)</u>
<b>Cash (bank indebtedness) - end of year</b>	<u>\$ 56,417</u>	<u>\$ 178,596</u>

See accompanying notes to the financial statements.

**SASKATOON YOUTH SOCCER INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JULY 31, 2024**  
**(with comparative figures for the year ended July 31, 2023)**

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**1. Nature of operations**

Saskatoon Youth Soccer Inc. (the "Organization") was incorporated under the *Non-Profit Corporations Act of Saskatchewan* in the province of Saskatchewan. The Organization was formed to manage soccer operations for youth in the City of Saskatoon in accordance with the Saskatchewan Soccer Association (SSA), Canadian Soccer Association (CSA), and the Fédération Internationale de Football Association (FIFA).

The Organization is not taxable for income tax purposes under section 149 of the Income Tax Act.

**2. Summary of significant accounting policies**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations which required 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 period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the results of operations in the period in which they become known. The financial statements reflect the following policies:

**Financial instruments**

Financial assets and financial liabilities are recorded on the statement of financial position when the Organization becomes party to the contractual provisions of the financial instrument. The Organization initially measures its financial assets and financial liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The Organization subsequently measures all its financial assets and financial liabilities at cost or 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 of these financial instruments are recognized in excess (deficiency) of revenue over expenses. Fair value is the amount at which a financial instrument could be exchanged at arm's length between willing, unrelated parties in an open market.

The Organization's recognized financial instruments include cash, restricted cash, investments, accounts receivable, accounts payable and accrued liabilities, referee development fund, and zone MOU alliance pathway bond.

**Investments**

Investments consist of term deposits and Guaranteed Investment Certificates (GICs). The Organization carries investments at fair market value.



**SASKATOON YOUTH SOCCER INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JULY 31, 2024**  
(with comparative figures for the year ended July 31, 2023)

**2. Summary of significant accounting policies (continued)**

**Tangible capital assets**

Tangible capital assets are recorded at cost less accumulated amortization. Amortization is provided on the diminishing balance basis over the estimated useful life of the assets at the following annual rates:

Computer equipment	30 %
Furniture, fixtures, and soccer equipment	20 %

In the year of acquisition, amortization is provided at one-half the annual rate.

**Revenue recognition**

The Organization 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.

**Contributed materials and services**

Contributed materials and services are not recognized in the financial statements.

**3. Investments**

	<u>2024</u>	<u>2023</u>
Affinity Credit Union, 3-year term GIC, 4.80%, maturing January 09, 2027	\$ 316,553	\$ -
Affinity Credit Union, 2-year term GIC, 4.60%, maturing May 10, 2026	151,550	-
Affinity Credit Union, 1-year flex term deposit, 3.20%, maturing May 10, 2025	201,438	-
Affinity Credit Union, 1-year term deposit, 3.55%, matured January 03, 2024	-	103,839
Affinity Credit Union, 1-year term GIC, 5.05%, matured January 09, 2024	-	301,743
Affinity Credit Union, 2-year term GIC, 3.05%, matured April 29, 2024	-	201,554
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Investments maturing within 12 months:	\$ 201,438	\$ 607,136
Investments maturing thereafter:	\$ 468,103	\$ -
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**SASKATOON YOUTH SOCCER INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JULY 31, 2024**  
(with comparative figures for the year ended July 31, 2023)

**4. Accounts receivable**

	<u>2024</u>	<u>2023</u>
League, tournament fees, and other	\$ 5,057	\$ 3,287
SSA MAP, KIP, and other grants	45,690	41,752
	<u>\$ 50,747</u>	<u>\$ 45,039</u>

**5. Tangible capital assets**

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer equipment	\$ 11,182	\$ 11,182	\$ -	\$ -
Furniture, fixtures, and soccer equipment	81,878	67,553	14,325	18,541
	<u>\$ 93,060</u>	<u>\$ 78,735</u>	<u>\$ 14,325</u>	<u>\$ 18,541</u>

**6. Referee Development Fund**

The Referee Development Fund is collected from Saskatoon Adult Soccer Inc. (SASI) and Saskatoon Youth Soccer Inc. (SYSI) teams for the purpose of referee development and recruitment. A grant application process for administering these funds is in place and an adjudication committee reviews the applications. Both SASI and SYSI Boards have final approval on any recommendations from the adjudication committee and SYSI administers the funds once they are approved by both SASI and SYSI Boards. The Referee Development Funds collected or released are not reflected on SYSI's statement of operations.

	<u>2024</u>	<u>2023</u>
Balance at beginning of the year	\$ 42,667	\$ 46,755
Receipts during the year	3,028	2,849
Disbursements during the year	(5,952)	(6,937)
	<u>\$ 39,743</u>	<u>\$ 42,667</u>

**SASKATOON YOUTH SOCCER INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JULY 31, 2024**  
(with comparative figures for the year ended July 31, 2023)

**7. Zone MOU alliance pathway bond deposit**

During a prior year, payment totaling \$5,000 was collected from five member Zones in receipt of their agreement to a memorandum of understanding for the Organization to work collectively with the Zones to form an academy which would serve players from all Zones. The memorandum of understanding is for five years, and upon expiration in January of 2026, the bond deposit will either be renewed or refunded.

**8. Long-term debt**

	<u>2024</u>	<u>2023</u>
CEBA loan payable was repaid during the year.	\$ -	\$ 40,000
Current portion due within one year	\$ -	\$ 40,000
	-	40,000

**9. Internally restricted net assets**

The objective of the internally restricted net assets is to enable the Organization to sustain operations through delays in payments of committed funding and to create a pool of funds that are available in the event of unexpected revenue shortfalls or unforeseen expenses. The funds may be used for only the above stated purposes and are restricted to be between 20% and 30% of the average of the last two years' operating expenses. In the current year, the Board approved a transfer of \$144,000 from unrestricted net assets to internally restricted net assets (2023 - no transfer made).

**10. Non-cash operating working capital**

Details of net change in each element of working capital relating to operations excluding cash are as follows:

	<u>2024</u>	<u>2023</u>
<b>(Increase) decrease in current assets:</b>		
Accounts receivable	\$ (5,708)	\$ 5,838
Prepaid expenses	13,632	(2,598)
	7,924	3,240
<b>Increase (decrease) in current liabilities:</b>		
Accounts payable and accrued liabilities	(49,150)	39,222
Deferred revenue	14,959	(4,947)
	(34,191)	34,275
	\$ (26,267)	\$ 37,515

**SASKATOON YOUTH SOCCER INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JULY 31, 2024**  
**(with comparative figures for the year ended July 31, 2023)**

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**11. Financial risk management**

The Organization has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The significant financial risks to which the Organization is exposed are:

**Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization is exposed to credit risk on the accounts receivable from its customers and sponsors.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization's exposure to interest rate risk is mitigated as its investments are limited to short-term fixed-rate investments.

**Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization's exposure to liquidity risk is dependent on the receipt of funds from its operations, use of reserves, external borrowings and other related sources. Funds from these sources are primarily used to finance working capital requirements, and are considered adequate to meet the Organization's financial obligations.

**12. Budget figures**

The budget figures are provided for informational purposes only and have neither been reviewed nor audited.

**13. Comparative figures**

Certain comparative figures have been reclassified to conform with the presentation in the current year.

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