

**SASKATOON MINOR BASKETBALL ASSOCIATION**

**FINANCIAL STATEMENTS  
(unaudited)**

**JUNE 30, 2015**

## REVIEW ENGAGEMENT REPORT

### To the Members

#### Saskatoon Minor Basketball Association

We have reviewed the statement of financial position of **Saskatoon Minor Basketball Association** as at **June 30, 2015** and the statements of operations and members' equity and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Association.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

October 20, 2015

Saskatoon, Saskatchewan

*Virtus Group LLP*

Chartered Professional Accountants

**SASKATOON MINOR BASKETBALL ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
(unaudited)  
**AS AT JUNE 30, 2015**  
(with comparative figures for 2014)

	<b>ASSETS</b>	
	<u>2015</u>	<u>2014</u>
<b>Current assets</b>		
Cash	\$ 68,384	\$ 52,257
Accounts receivable	21,294	16,444
	\$ 89,678	\$ 68,701
	<b>LIABILITIES</b>	
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 535	\$ 140
Deferred revenue	6,935	7,758
	7,470	7,898
	<b>NET ASSETS</b>	
<b>Members' equity</b>	82,208	60,803
	\$ 89,678	\$ 68,701

See accompanying notes to the financial statements.

**APPROVED BY:**

Joshua Deford Director

Matt [Signature] Director

**SASKATOON MINOR BASKETBALL ASSOCIATION**  
**STATEMENT OF OPERATIONS AND MEMBERS' EQUITY**  
(unaudited)  
**FOR THE YEAR ENDED JUNE 30, 2015**  
(with comparative figures for the year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
<b>Revenue</b>		
Grants	\$ 43,922	\$ 30,940
Registration fees	232,458	232,849
	<u>276,380</u>	<u>263,789</u>
<b>Expenses</b>		
<b>Contractor costs</b>	<u>132,116</u>	<u>137,427</u>
<b>Facility costs</b>		
Equipment	22	1,083
Gym rentals	49,043	48,129
	<u>49,065</u>	<u>49,212</u>
<b>Coaching costs</b>		
Coach honorariums	17,870	12,975
Player costs	34,946	23,930
	<u>52,816</u>	<u>36,905</u>
<b>General and administrative costs</b>		
Accounting fees	4,291	3,364
Advertising and promotion	3,019	2,594
Awards	2,685	3,754
Merchandise	-	11,504
Office and general	1,839	3,848
Scholarships	2,000	-
Service fees	5,898	2,893
Technology	1,246	2,115
	<u>20,978</u>	<u>30,072</u>
	<u>254,975</u>	<u>253,616</u>
<b>Excess (deficiency) of revenue over expenses</b>	21,405	10,173
<b>Members' equity - beginning of year</b>	<u>60,803</u>	<u>50,630</u>
<b>Members' equity - end of year</b>	<u>\$ 82,208</u>	<u>\$ 60,803</u>

See accompanying notes to the financial statements.

**SASKATOON MINOR BASKETBALL ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
(unaudited)  
**FOR THE YEAR ENDED JUNE 30, 2015**  
(with comparative figures for the year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
<b>Cash provided by (used in) operating activities:</b>		
Excess (deficiency) of revenue over expenses	\$ 21,405	\$ 10,173
Non-cash operating working capital (Note 3)	<u>(5,278)</u>	<u>4,743</u>
	<u>16,127</u>	<u>14,916</u>
<b>Increase in cash</b>	16,127	14,916
<b>Cash position - beginning of year</b>	<u>52,257</u>	<u>37,341</u>
<b>Cash position - end of year</b>	<u>\$ 68,384</u>	<u>\$ 52,257</u>

See accompanying notes to the financial statements.

**SASKATOON MINOR BASKETBALL ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**(unaudited)**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(with comparative figures for the year ended June 30, 2014)**

---

**1. Nature of operations**

Saskatoon Minor Basketball Association (the "Association") is a non-profit organization incorporated under *The Non-Profit Corporations Act* in the province of Saskatchewan. The Association operates and manages youth basketball programs throughout the city of Saskatoon. The mandate of the Association is to encourage the sport of basketball in the city of Saskatoon by offering a community basketball league for enjoyment, participation, and instruction for boys and girls. The Association is not subject to income tax under certain provisions of The Income Tax Act of Canada.

**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 earnings in the period in which they become known. The financial statements reflect the following policies:

**Financial instruments**

Financial assets and liabilities are recorded on the statement of financial position when the Association becomes party to the contractual provisions of the financial instrument. All financial instruments are required to be recognized at fair value upon initial recognition. Measurement in subsequent periods of equity instruments is at fair value. All other financial assets and financial liabilities are subsequently measured at amortized cost adjusted by transactions costs, which are amortized over the expected life of the instrument.

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. Changes in fair values of financial assets and financial liabilities measured at fair value are recognized in excess of revenue over expenses. When there is an indication of impairment, the carrying amount of financial assets measured at amortized cost may be reduced. Such impairments can be subsequently reversed if the value improves.

**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 are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. The Association does not have restricted contributions.

---

**SASKATOON MINOR BASKETBALL ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(unaudited)  
**FOR THE YEAR ENDED JUNE 30, 2015**  
(with comparative figures for the year ended June 30, 2014)

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

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

	<u>2015</u>	<u>2014</u>
<b>(Increase) decrease in current assets:</b>		
Accounts receivable	\$ (4,850)	\$ 8,657
<b>Increase (decrease) in current liabilities:</b>		
Accounts payable and accrued liabilities	395	(406)
Deferred revenue	(823)	(3,508)
	(428)	(3,914)
	\$ (5,278)	\$ 4,743

**4. Financial instruments**

The Association's financial instruments include cash, accounts receivable, and accounts payable and accrued liabilities. The carrying amounts of these financial instruments approximate their fair values due to their short-term maturities. The Association is not exposed to significant interest, currency, or credit risks arising from these financial instruments.

**5. Comparative figures**

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