

SASKATCHEWAN YOUTH BOWLING COUNCIL

Auditor's Report

Financial Statements

July 31, 2018

INDEPENDENT AUDITOR'S REPORT

To the Directors of the **Saskatchewan Youth Bowling Council**

Report on the Financial Statements

We have audited the accompanying financial statements of **Saskatchewan Youth Bowling Council**, which comprise the statement of financial position as at July 31, 2018 and the statements of operations and changes in net assets and cash flows for the year then ended, and 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.

Auditor's 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.

The audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 Youth Bowling Council** as at **July 31, 2018**, and the results of its financial activities, and change in its financial position for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Saskatoon, Saskatchewan
September 7, 2018

Chartered Professional Accountants

SASKATCHEWAN YOUTH BOWLING COUNCIL

STATEMENT OF FINANCIAL POSITION

July 31, 2018

with comparative figures for 2017

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
Current assets:		
Cash	\$ 3,017	1,611
Term deposits	10,043	22,154
Accounts receivable	4,200	321
Inventory	1,444	2,330
Prepaid expenses	<u>796</u>	<u>2,679</u>
	<u>\$ 19,500</u>	<u>29,095</u>

LIABILITIES AND NET ASSETS

Net assets:		
Unrestricted, per accompanying statement	\$ <u>19,500</u>	<u>29,095</u>
	<u>\$ 19,500</u>	<u>29,095</u>

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director

See accompanying notes to the financial statements.

SASKATCHEWAN YOUTH BOWLING COUNCIL
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

Year ended July 31, 2018
with comparative figures for 2017

	<u>2018</u>	<u>2017</u>
Revenue:		
Saskatchewan Lotteries Trust Fund (schedule 1)	\$ 38,800	51,733
Self-Help - Internal (schedule 2)	17,040	15,197
Self-Help - External (schedule 3)	35,905	39,704
Bowling School Income (schedule 4)	<u>25,108</u>	<u>25,533</u>
	116,853	132,167
Expenses:		
Administration (schedule 5)	10,953	10,781
Capacity/Interaction (schedule 6)	9,686	9,309
Participation (schedule 7)	10,270	9,720
Excellence Competition (schedule 8)	30,667	36,665
Categorical Grants (schedule 9)	33,700	34,500
Bowling Federation membership (schedule 10)	6,064	8,094
Bowling School Expenses (schedule 11)	<u>25,108</u>	<u>25,374</u>
	<u>126,448</u>	<u>134,443</u>
Excess (deficiency) of revenues over expenditures	(9,595)	(2,275)
Net assets, beginning of year	<u>29,095</u>	<u>31,370</u>
Net assets, end of year	<u>\$ 19,500</u>	<u>29,095</u>

See accompanying notes to the financial statements.

SASKATCHEWAN YOUTH BOWLING COUNCIL

STATEMENT OF CASH FLOWS

Year ended July 31, 2018
with comparative figures for 2017

	<u>2018</u>	<u>2017</u>
Operating activities:		
Excess (deficiency) of revenues over expenditures	\$ (9,595)	(2,275)
Changes in non-cash working capital:		
Accounts receivable	(3,879)	8,564
Inventory	885	(78)
Prepaid expenses	1,884	(6)
Accounts payable and accrued liabilities	-	(731)
Deferred revenue	-	(8,285)
	<u>(10,705)</u>	<u>(2,811)</u>
Investing activities:		
Interest receivable	16	(27)
Term deposits	<u>12,095</u>	<u>1,805</u>
	<u>12,111</u>	<u>1,778</u>
Increase (decrease) in cash during the year	1,406	(1,033)
Cash position, beginning of year	<u>1,611</u>	<u>2,644</u>
Cash position, end of year	<u>\$ 3,017</u>	<u>1,611</u>

Cash is comprised of cash in bank less outstanding cheques.

See accompanying notes to the financial statements.

SASKATCHEWAN YOUTH BOWLING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

July 31, 2018

1. DESCRIPTION OF OPERATIONS

The SK Youth Bowling Council Corporation (Saskatchewan Youth Bowling Council), was incorporated under **The Non-Profit Corporations Act** of Saskatchewan. Saskatchewan Youth Bowling Council is a non-profit trade organization that promotes and raises funds for the sport of bowling through various activities. It also offers training, competition and leadership opportunities for its youth membership throughout the province of Saskatchewan. Saskatchewan Youth Bowling Council was incorporated for part of the year and the comparative figures are for the unincorporated business, Saskatchewan Youth Bowling Council. There were no changes to operations as a result of the incorporation.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The financial statements reflect the following significant accounting policies:

(a) Capital assets

Capital assets are recorded as an expense in the period in which they are purchased. No provision for amortization is taken. No capital assets were purchased during the year.

(b) 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. Revenues from the Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation are shown as deferred revenues if they relate to the next fiscal period and as grants receivable if they relate to the current fiscal period and are not received by the end of the current fiscal period.

(c) Income taxes

The association is exempt from income taxes as it is a non-profit organization.

(d) Inventory

Inventory is valued at the lower of cost and replacement value and consists of bowling bags and shirts.

(e) Measurement Uncertainty

The preparation of the financial statements in accordance 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 and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

SASKATCHEWAN YOUTH BOWLING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

July 31, 2018

2. SIGNIFICANT ACCOUNTING POLICIES - continued

(f) **Financial Instruments**

Financial instruments, including cash, term deposits, and accounts receivable are initially recorded at their fair value and are subsequently measured at amortized cost, net of any provisions for impairment.

3. FINANCIAL INSTRUMENTS

Risks and concentrations

The entity is exposed to various risks through its financial instruments. The following analysis provides a measure of the entity's risk exposure and concentrations at July 31, 2018.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The entity is exposed to this risk mainly in respect of its accounts payable.

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 carrying amounts of financial assets on the statement of financial position represent the Association's maximum exposure at the financial statement date. The credit risk on cash and investments is limited because the counterpart is a financial institution with high credit rating assigned by national credit-rating agencies.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The entity is mainly exposed to interest rate risk.

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 entity is exposed to interest rate risk on its fixed and floating interest rate financial instruments.

Fair Value

The carrying amount of current financial assets and current financial liabilities approximate their fair value because of the short-term maturities of these items.

SASKATCHEWAN YOUTH BOWLING COUNCIL

SCHEDULE OF REVENUES

Year ended July 31, 2018
with comparative figures for 2017

	<u>2018</u>	<u>2017</u>
Schedule 1- Saskatchewan Lotteries Trust Fund		
Map grant	\$ 24,100	24,500
Excellence (SK First) competition	1,500	11,400
Participation competition grant	3,600	5,833
MAP grant - Bowling School	<u>9,600</u>	<u>10,000</u>
	<u>\$ 38,800</u>	<u>51,733</u>
Schedule 2 - Self-Help - Internal		
Provincial memberships	\$ 5,705	3,747
National registration rebate	-	4,980
Competition	5,935	4,870
Nationals assessment	1,200	1,600
National rebate	<u>4,200</u>	<u>-</u>
	<u>\$ 17,040</u>	<u>15,197</u>
Schedule 3 - Self-Help - External		
Chocolate campaign	\$ 35,787	39,508
Interest income	<u>118</u>	<u>196</u>
	<u>\$ 35,905</u>	<u>39,704</u>
Schedule 4 - Bowling School Income		
Registration fees	\$ 24,517	25,455
Sponsorship income	150	76
Interest income	1	2
Shirt/jacket sales	<u>440</u>	<u>-</u>
	<u>\$ 25,108</u>	<u>25,533</u>

SASKATCHEWAN YOUTH BOWLING COUNCIL

SCHEDULE OF EXPENSES

Year ended July 31, 2018
with comparative figures for 2017

	<u>2018</u>	<u>2017</u>
Schedule 5 - Administration		
Audit	\$ 3,552	3,300
Bookkeeping	3,000	3,000
Bank charges	291	436
Directors expense	3,450	3,904
Office expense	660	141
	<u>\$ 10,953</u>	<u>10,781</u>
Schedule 6 - Capacity/Interaction		
Semi-annual meetings	\$ 146	320
Awards & recognition	2,408	2,697
Provincial banquet	7,132	6,292
	<u>\$ 9,686</u>	<u>9,309</u>
Schedule 7 - Participation		
Youth Doubles Provincial travel	\$ 1,747	1,614
Youth Doubles Provincial	3,600	3,110
Youth Doubles (participation grant)	13	36
Bowling School entries	800	780
M/YBC grant	900	900
YBC Trio per diem	3,210	3,280
	<u>\$ 10,270</u>	<u>9,720</u>
Schedule 8 - Excellence Competition		
Provincial 5 pin - travel	\$ 500	247
Provincial 10 pin - travel	408	-
National 5 pin - travel	2,212	19,842
National 10 pin - travel	2,454	4,246
Provincial 5 pin	2,594	3,600
Provincial 10 pin	775	825
National pro rated travel	10,515	(4,700)
Nationals 5 pin	7,198	10,058
Nationals 10 pin	1,186	1,292
Composite Zone	-	160
Coaches per diem	1,150	1,095
National volunteers	1,675	-
	<u>\$ 30,667</u>	<u>36,665</u>

SASKATCHEWAN YOUTH BOWLING COUNCIL

SCHEDULE OF EXPENSES - (continued)

Year ended July 31, 2018
with comparative figures for 2017

	<u>2018</u>	<u>2017</u>
Schedule 9 - Categorical Grant Expenses		
YBC Trio lineage - MAP	\$ 4,820	4,920
YBC Trio travel - MAP	4,720	6,038
YBC Singles Zone travel - MAP	2,601	2,428
YBC Team Zone travel - MAP	-	1,675
YBC Provincial travel - MAP	5,018	7,888
YBC Provincial lineage - MAP	4,717	-
YBC Zone - 4 Steps - MAP	2,224	1,551
Bowling School MAP expenses	9,600	10,000
	<u>\$ 33,700</u>	<u>34,500</u>

The individual clubs that received the above categorical grants are as follows:

Biggar	\$ 1,050	1,155
Carnduff	2,336	2,353
Cutknife	307	519
Esterhazy	424	497
Estevan	525	409
Foam Lake	540	204
Humboldt	537	415
Lashburn	883	1,198
Maidstone	458	954
Melfort	15	92
Melville	1,591	1,633
Moose Jaw	2,528	1,872
North Battleford	-	27
Perdue	-	123
Prince Albert	1,331	2,579
Regina	3,413	1,635
Rosetown	727	1,246
Saskatoon	3,891	3,708
Swift Current	308	318
Weyburn	950	1,387
Yorkton	2,286	2,175
Bowling School	<u>9,600</u>	<u>10,000</u>
	<u>\$ 33,700</u>	<u>34,500</u>

Schedule 10 - Other

Bowling Federation membership	\$ <u>6,064</u>	<u>8,094</u>
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SASKATCHEWAN YOUTH BOWLING COUNCIL

SCHEDULE OF EXPENSES - (continued)

Year ended July 31, 2018
with comparative figures for 2017

	<u>2018</u>	<u>2017</u>
Schedule 11 - Bowling School Expenses		
Accomodations	\$ 2,439	5,174
Bowling Federation membership	1,994	2,054
Coaches travel	1,933	2,342
Honorariums	8,000	6,000
Lineage	2,750	2,500
Meals	3,962	3,259
Miscellaneous	1,231	910
Shirts/jackets	1,757	2,115
Transportation	1,042	1,020
	<u>\$ 25,108</u>	<u>25,374</u>