

**SASKATCHEWAN YOUTH BOWLING COUNCIL
CORPORATION**

Auditor's Report

Financial Statements

July 31, 2020

INDEPENDENT AUDITOR'S REPORT

To the Directors of Saskatchewan Youth Bowling Council Corporation

Report on the Financial Statements

Opinion

We have audited the financial statements of **Saskatchewan Youth Bowling Council Corporation**, which comprise the statement of financial position as at **July 31, 2020** 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Saskatchewan Youth Bowling Council Corporation** as at **July 31, 2020** 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 **Saskatchewan Youth Bowling Council Corporation** 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 the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and the use of the going concern basis of accounting unless management either intends to liquidate the entity or cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

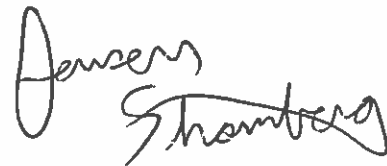
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 entity'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 entity'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 entity 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.

Saskatoon, Saskatchewan
September 20, 2020



Chartered Professional Accountants

SASKATCHEWAN YOUTH BOWLING COUNCIL CORPORATION

STATEMENT OF FINANCIAL POSITION

July 31, 2020
with comparative figures for 2019

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Current assets:		
Cash	\$ 14,713	4,736
Term deposits (Note 5)	30,212	10,057
Accounts receivable	-	2,364
Inventory	531	1,338
Prepaid expenses	<u>575</u>	<u>2,160</u>
	<u>\$ 46,031</u>	<u>20,655</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 4,667	-
Net assets:		
Unrestricted, per accompanying statement	<u>41,364</u>	<u>20,655</u>
	<u>\$ 46,031</u>	<u>20,655</u>

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director

See accompanying notes to the financial statements.

SASKATCHEWAN YOUTH BOWLING COUNCIL CORPORATION

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

Year ended July 31, 2020
with comparative figures for 2019

	<u>2020</u>	<u>2019</u>
Revenue:		
Saskatchewan Lotteries Trust Fund (schedule 1)	\$ 47,300	47,400
Self-Help - Internal (schedule 2)	9,355	13,385
Self-Help - External (schedule 3)	25,459	32,473
Bowling School Income (schedule 4)	18,105	25,516
Fundraiser (schedule 5)	5,396	4,576
Other Income (schedule 6)	<u>2,124</u>	<u>1,614</u>
	107,739	124,964
Expenses:		
Administration (schedule 7)	17,274	20,033
Capacity/Interaction (schedule 8)	2,665	3,084
Participation (schedule 9)	5,491	11,385
Excellence Competition (schedule 10)	9,495	31,890
Categorical Grants (schedule 11)	34,000	31,901
Bowling School Expenses (schedule 12)	<u>18,105</u>	<u>25,516</u>
	<u>87,030</u>	<u>123,809</u>
Excess (deficiency) of revenues over expenditures	20,709	1,155
Net assets, beginning of year	<u>20,655</u>	<u>19,500</u>
Net assets, end of year	<u>\$ 41,364</u>	<u>20,655</u>

See accompanying notes to the financial statements.

SASKATCHEWAN YOUTH BOWLING COUNCIL CORPORATION

STATEMENT OF CASH FLOWS

Year ended July 31, 2020
with comparative figures for 2019

	<u>2020</u>	<u>2019</u>
Operating activities:		
Excess (deficiency) of revenues over expenditures	\$ 20,709	1,155
Changes in non-cash working capital:		
Accounts receivable	2,364	1,836
Inventory	807	106
Prepaid expenses	1,586	(1,364)
Accounts payable and accrued liabilities	<u>4,666</u>	<u>-</u>
	<u>30,132</u>	<u>1,733</u>
Investing activities:		
Interest receivable	(55)	(14)
Term deposits	<u>(20,100)</u>	<u>-</u>
	<u>(20,155)</u>	<u>(14)</u>
Increase in cash during the year	9,977	1,719
Cash position, beginning of year	<u>4,736</u>	<u>3,017</u>
Cash position, end of year	<u>\$ 14,713</u>	<u>4,736</u>

Cash is comprised of cash in bank less outstanding cheques.

See accompanying notes to the financial statements.

SASKATCHEWAN YOUTH BOWLING COUNCIL CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

July 31, 2020

1. DESCRIPTION OF OPERATIONS

The SK Youth Bowling Council Corporation (Saskatchewan Youth Bowling Council Corporation), was incorporated under **The Non-Profit Corporations Act** of Saskatchewan. Saskatchewan Youth Bowling Council Corporation 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.

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 CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

July 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES - continued

(f) **Financial Instruments**

Financial instruments, including cash, term deposits, accounts receivable and accounts payable and accrued liabilities 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, 2020.

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 term deposits.

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 CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

July 31, 2020

4. IMPACT OF COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The COVID-19 outbreak has caused disruption of businesses in the not-for-profit sector due to measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines, and social distancing). While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings. Therefore, the Saskatchewan Youth Bowling Council Corporation expects this matter to negatively impact its operating results in a material way. However, the related financial impact and duration cannot be reasonably estimated at this time.

Management expects that a small number of members may shut down their operations and will therefore may not pay for current dues. Management does not expect the financial effect to be material and will adhere to all public health restrictions to allow operations to continue as much as possible.

5. TERM DEPOSITS

	<u>2020</u>	<u>2019</u>
GIC - 1 year, interest at 1.00%, maturity date January 4, 2020	\$ 30,100	\$ 10,000
Accrued interest receivable	<u>112</u>	<u>57</u>
	<u>\$ 30,212</u>	<u>\$ 10,057</u>

SASKATCHEWAN YOUTH BOWLING COUNCIL CORPORATION

SCHEDULE OF REVENUES

Year ended July 31, 2020
with comparative figures for 2019

	<u>2020</u>	<u>2019</u>
Schedule 1 - Saskatchewan Lotteries Trust Fund		
Map grant	\$ 24,000	22,600
Excellence (SK First) competition	-	10,000
Participation competition grant	3,800	5,500
MAP grant - Bowling School	10,000	9,300
Federation Re-allocation Grant	<u>9,500</u>	<u>-</u>
	<u>\$ 47,300</u>	<u>47,400</u>
Schedule 2 - Self-Help - Internal		
Provincial memberships	\$ 4,605	5,400
Trio challenge	3,030	2,920
10 Pin Trio challenge	480	480
5 Pin Youth doubles	-	1,365
10 Pin Youth doubles	-	180
Singles entry rebate	1,240	1,240
National assessment	<u>-</u>	<u>1,800</u>
	<u>\$ 9,355</u>	<u>13,385</u>
Schedule 3 - Self-Help - External		
Chocolate campaign	\$ 25,304	32,394
Interest income	<u>155</u>	<u>79</u>
	<u>\$ 25,459</u>	<u>32,473</u>
Schedule 4 - Bowling School Income		
Deferred revenue - Bowling School	\$ 1,132	2,551
Registration fees	16,773	22,350
Sponsorship income	200	375
Shirt/jacket sales	<u>-</u>	<u>240</u>
	<u>\$ 18,105</u>	<u>25,516</u>
Schedule 5 - Fundraiser		
Elimination draw monies	\$ 14,330	9,750
Prize payouts - elimination draw	(4,875)	(3,250)
YBC program rebates	(4,775)	(3,250)
SLGA rebates	1,085	1,565
Fundraiser expenses	<u>(369)</u>	<u>(239)</u>
	<u>\$ 5,396</u>	<u>4,576</u>
Schedule 6 - Other Income		
Miscellaneous income	\$ 941	393
Administration fees	<u>1,183</u>	<u>1,221</u>
	<u>\$ 2,124</u>	<u>1,614</u>

SASKATCHEWAN YOUTH BOWLING COUNCIL CORPORATION

SCHEDULE OF EXPENSES

Year ended July 31, 2020
with comparative figures for 2019

	<u>2020</u>	<u>2019</u>
Schedule 7 - Administration		
Audit	\$ 3,663	3,663
Bookkeeping	3,000	3,000
Office operations	482	487
Directors expense	2,477	4,849
General expense	477	474
Bowling Federation assessment	<u>7,175</u>	<u>7,560</u>
	<u>\$ 17,274</u>	<u>20,033</u>
Schedule 8 - Capacity/Interaction		
Annual conference	\$ 3	13
Semi-annual meetings	225	351
Awards & recognition	<u>2,437</u>	<u>2,720</u>
	<u>\$ 2,665</u>	<u>3,084</u>
Schedule 9 - Participation		
Youth doubles Provincial travel	\$ -	2,321
Youth doubles Provincial	-	3,910
Youth doubles (participation grant)	49	74
Bowling School entries	1,032	780
M/YBC grant	900	900
YBC Trio per diem	3,030	2,920
10 Pin Trio per diem	<u>480</u>	<u>480</u>
	<u>\$ 5,491</u>	<u>11,385</u>
Schedule 10 - Excellence Competition		
Provincial 5 pin - travel	\$ 218	859
Provincial 10 pin - travel	630	2,551
National 5 pin - travel	-	14,302
National 10 pin - travel	-	4,827
Provincial 5 pin	2,811	2,720
Provincial 10 pin	990	1,050
National pro rated travel	173	(2,129)
National 5 pin	4,385	5,036
National 10 pin	288	1,674
Coaches per diem	<u>-</u>	<u>1,000</u>
	<u>\$ 9,495</u>	<u>31,890</u>

SASKATCHEWAN YOUTH BOWLING COUNCIL CORPORATION

SCHEDULE OF EXPENSES - (continued)

Year ended July 31, 2020
with comparative figures for 2019

	<u>2020</u>	<u>2019</u>
Schedule 11 - Categorical Grant Expenses		
YBC Trio lineage - MAP	\$ 5,808	5,085
YBC Trio travel - MAP	5,128	4,230
YBC Singles zone travel - MAP	1,775	2,097
YBC Team zone travel - MAP	1,294	1,852
YBC Provincial travel - MAP	5,080	4,756
YBC Provincial lineage - MAP	4,915	4,581
Bowling School - MAP	10,000	9,300
	<u>\$ 34,000</u>	<u>31,901</u>

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

Biggar	\$ 1,449	2,276
Carnduff	-	1,155
Cutknife	571	438
Esterhazy	1,218	508
Estevan	114	-
Foam Lake	616	265
Humboldt	940	541
Lashburn	620	1,018
Maidstone	437	799
Melville	1,368	1,380
Moose Jaw	2,455	1,391
Prince Albert	1,394	2,052
Regina	4,577	4,113
Rosetown	1,170	935
Saskatoon	4,094	3,936
Swift Current	-	72
Weyburn	1,276	381
Yorkton	1,701	1,340
Bowling School	10,000	9,300
	<u>\$ 34,000</u>	<u>31,901</u>

SASKATCHEWAN YOUTH BOWLING COUNCIL CORPORATION

SCHEDULE OF EXPENSES - (continued)

Year ended July 31, 2020
with comparative figures for 2019

	<u>2020</u>	<u>2019</u>
Schedule 12 - Bowling School Expenses		
Accommodations	\$ -	2,121
Bowling Federation membership	2,000	1,937
Coaches travel	1,568	1,808
Honorariums	6,000	6,950
Lineage	3,644	3,100
Meals	1,656	4,647
Miscellaneous	1,588	1,593
Shirts/jackets	1,649	2,324
Transportation	-	1,036
	<u>\$ 18,105</u>	<u>25,516</u>