

**SASKATCHEWAN 5 PIN BOWLERS  
ASSOCIATION INC.**

**Auditor's Report**

**Financial Statements**

**July 31, 2024**



## INDEPENDENT AUDITOR'S REPORT

To the Directors of **Saskatchewan 5 Pin Bowlers Association Inc.**

### *Opinion*

We have audited the financial statements of **Saskatchewan 5 Pin Bowlers Association Inc.**, which comprise the statement of financial position as at **July 31, 2024** 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 5 Pin Bowlers Association Inc.** 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 **Saskatchewan 5 Pin Bowlers Association 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 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 16, 2024

  
Chartered Professional Accountants

# SASKATCHEWAN 5 PIN BOWLERS ASSOCIATION INC.

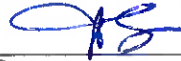
## STATEMENT OF FINANCIAL POSITION

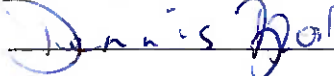
July 31, 2024

with comparative figures for 2023

	<u>2024</u>	<u>2023</u>
<b><u>ASSETS</u></b>		
Current assets:		
Cash	\$ 10,337	76,845
Restricted cash (Note 3)	33,635	31,870
Accounts receivable	65,975	13,875
Inventory	6,750	5,631
Prepaid expenses	<u>843</u>	<u>-</u>
	\$ <u>117,540</u>	<u>128,221</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 17,961	8,363
Deferred revenue - 450 Pool (Note 3)	<u>33,635</u>	<u>31,870</u>
	51,596	40,233
Net assets:		
Unrestricted, per accompanying statement	<u>65,944</u>	<u>87,988</u>
	\$ <u>117,540</u>	<u>128,221</u>

### APPROVED ON BEHALF OF THE BOARD:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

See accompanying notes to the financial statements.

# SASKATCHEWAN 5 PIN BOWLERS ASSOCIATION INC.

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

Year ended July 31, 2024  
with comparative figures for 2023

	<u>2024</u>	<u>2023</u>
Revenue:		
Saskatchewan Lotteries Trust Fund (Schedule 1)	\$ 29,067	34,112
Playdown/Tournament fees (Schedule 2)	58,393	35,880
Membership fees (Schedule 3)	34,520	32,555
Sales/merchandise (Schedule 4)	1,706	2,150
450 Pool and Special Olympics	1,053	4,030
Corporate sponsorship	1,334	1,300
Clinics	840	270
Interest	<u>802</u>	<u>674</u>
	127,715	110,971
Expenditures:		
Administration (Schedule 5)	32,602	22,099
Participation grants (Schedule 6)	10,092	9,189
Excellence (Schedule 7)	89,351	65,118
Capacity (Schedule 8)	4,792	6,504
Other (Schedule 9)	10,144	7,496
Sales/merchandise	<u>2,778</u>	<u>2,241</u>
	<u>149,759</u>	<u>112,647</u>
Deficiency of revenues over expenditures	(22,044)	(1,676)
Net assets, beginning of year	<u>87,988</u>	<u>89,664</u>
Net assets, end of year	<u>\$ 65,944</u>	<u>87,988</u>

See accompanying notes to the financial statements.

# SASKATCHEWAN 5 PIN BOWLERS ASSOCIATION INC.

## STATEMENT OF CASH FLOWS

Year ended July 31, 2024  
with comparative figures for 2023

	<u>2024</u>	<u>2023</u>
Operating activities:		
Deficiency of revenues over expenditures	\$ (22,044)	(1,676)
Changes in non-cash working capital:		
Accounts receivable	(52,100)	25,802
Inventory	(1,119)	207
Prepaid expenses	(843)	-
Accounts payable and accrued liabilities	9,598	(3,996)
Deferred revenue - 450 Pool	<u>1,765</u>	<u>909</u>
	<u>(64,743)</u>	<u>21,246</u>
Increase (decrease) in cash during the year	(64,743)	21,246
Cash position, beginning of year	<u>108,715</u>	<u>87,469</u>
Cash position, end of year	\$ <u>43,972</u>	<u>108,715</u>

Cash is comprised of cash in bank less outstanding cheques.

See accompanying notes to the financial statements.

# SASKATCHEWAN 5 PIN BOWLERS ASSOCIATION INC.

## NOTES TO THE FINANCIAL STATEMENTS

July 31, 2024

### **1. DESCRIPTION OF OPERATIONS**

Saskatchewan 5 Pin Bowlers Association Inc. (the "Association") was established on March 31, 1989 pursuant to the provisions of the *Non-profit Corporations Act* of Saskatchewan. The Association was established to oversee and administer affiliations and tournaments for Saskatchewan 5 Pin affiliated bowlers.

### **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 expenditure in the period in which they are purchased. No provision for amortization is taken. No capital assets were purchased during the year.

#### **(b) Deferred revenue**

The financial statements of the Association have been prepared on the accrual basis. The Association receives fundraising fees from its members which relate to services to be provided in a later year. Accordingly, these funds are not recorded as revenues in the current period and are deferred until the year when the fees are paid out. Deferred revenue balances mainly relate to the 450 Pool.

#### **(c) 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 expenditures 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.

#### **(d) Income taxes**

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

#### **(e) Contributed services**

Board members and others volunteer their time to assist in the Association's activities. While their services benefit the Association considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in these financial statements.

#### **(f) Inventory**

Inventory is valued at the lower of cost and replacement value and consists of pins, medals, and promotional material.



# SASKATCHEWAN 5 PIN BOWLERS ASSOCIATION INC.

## NOTES TO THE FINANCIAL STATEMENTS

July 31, 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (g) 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 expenditures during the reporting periods. Actual results could differ from those estimates.

#### (h) Financial Instruments

Financial instruments, including cash, 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. DEFERRED REVENUE - 450 POOL

Restricted net assets for 450 Pool includes funds received from participating members at an annual bowling tournament for an opportunity to win the balance of the escalating 450 Pool. If a participating member bowls a perfect game, that bowler will win the accumulated balance of the 450 Pool. If no perfect game is bowled, 25% of the pool is paid to the participating member with the highest game score during the tournament. 450 Pool contributions in excess of amounts paid out are included in the escalating 450 Pool.

Funds received from members but not paid out are restricted and held in anticipation of future payments.

# SASKATCHEWAN 5 PIN BOWLERS ASSOCIATION INC.

## NOTES TO THE FINANCIAL STATEMENTS

July 31, 2024

### 4. FINANCIAL INSTRUMENTS

#### Risks and concentrations

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Association's risk exposure and concentrations at July 31, 2024.

#### Liquidity risk

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

#### 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.

As at July 31, 2024, two customers (2023 - one) accounted for 82% (2023 - 73%) of the outstanding accounts receivable. The Association believes that there is no unusual exposure associated with the collection of these receivables.

#### 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 Association is not exposed to any significant market risk.

# SASKATCHEWAN 5 PIN BOWLERS ASSOCIATION INC.

## SCHEDULE OF REVENUES

Year ended July 31, 2024  
with comparative figures for 2023

	<u>2024</u>	<u>2023</u>
<b>Schedule 1 - Sask Lotteries Trust Fund</b>		
Participation - Officials Development Grant	\$ 900	900
Participation - Competition Grant	7,667	8,212
Excellence - Competition Grant	14,000	18,500
Excellence - Training Grant	3,900	3,900
Excellence - Talent ID	700	700
Administration Grant	<u>1,900</u>	<u>1,900</u>
	<u>\$ 29,067</u>	<u>34,112</u>
<b>Schedule 2 - Playdown/Tournament Fees</b>		
Provincial Hi-Lo Doubles	\$ -	572
Provincial Open	705	1,467
Provincial Fun Bowl	1,040	1,273
Provincial Rising Stars	665	1,202
National Open	28,066	16,223
National Youth Challenge	3,090	4,778
Interprovincial Nationals	<u>24,827</u>	<u>10,365</u>
	<u>\$ 58,393</u>	<u>35,880</u>
<b>Schedule 3 - Membership Fees</b>		
Membership	\$ 11,120	9,155
Zone Membership	<u>23,400</u>	<u>23,400</u>
	<u>\$ 34,520</u>	<u>32,555</u>
<b>Schedule 4 - Sales/Merchandise</b>		
Pins	\$ 132	576
Medals	<u>1,574</u>	<u>1,574</u>
	<u>\$ 1,706</u>	<u>2,150</u>

# SASKATCHEWAN 5 PIN BOWLERS ASSOCIATION INC.

## SCHEDULE OF EXPENDITURES

Year ended July 31, 2024  
with comparative figures for 2023

	<u>2024</u>	<u>2023</u>
<b>Schedule 5 - Administration</b>		
Office Operations	\$ 3,137	1,614
Bad Debt Expense	8,563	365
Audit	4,096	3,900
Bowling Federation assessment	12,181	12,020
Honorariums	<u>4,625</u>	<u>4,200</u>
	<u>\$ 32,602</u>	<u>22,099</u>
<b>Schedule 6 - Participation Grants</b>		
Competitions	\$ 7,884	8,212
Officials Development	<u>2,208</u>	<u>977</u>
	<u>\$ 10,092</u>	<u>9,189</u>
<b>Schedule 7 - Excellence</b>		
Training	\$ 3,900	3,900
Competition	<u>85,451</u>	<u>61,218</u>
	<u>\$ 89,351</u>	<u>65,118</u>
<b>Schedule 8 - Capacity</b>		
Awards and Recognition	\$ 441	350
Meetings	<u>4,351</u>	<u>6,154</u>
	<u>\$ 4,792</u>	<u>6,504</u>
<b>Schedule 9 - Other</b>		
National Dues/Affiliation	\$ 8,799	7,246
Fundraising	998	-
Advertising and Promotion	<u>347</u>	<u>250</u>
	<u>\$ 10,144</u>	<u>7,496</u>