

# **Saskatchewan Cheerleading Association**

**Audited Financial Statements**

**June 30, 2020**

# Saskatchewan Cheerleading Association

June 30, 2020

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**Independent Auditors' Report**

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To the Members of  
Saskatchewan Cheerleading Association

We have audited the financial statements of Saskatchewan Cheerleading Association, which comprise the statement of financial position as at June 30, 2020 and the statement of operations, statement of changes in assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

***Basis for Qualified Opinion***

In common with many non-profit organizations, the association derives revenue from donations and other fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to a comparison of recorded revenue with bank deposits and we were unable to determine whether any adjustments might be necessary to revenues, excess of revenue, assets and net assets.

In our opinion, except for the effect of adjustments, if any, which might have been necessary had we been able to satisfy ourselves concerning the completeness of the revenue referred in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of Saskatchewan Cheerleading Association as at June 30, 2020 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

***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 ASNPO, 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.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements 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.

**Priority Accounting Services CPA Prof. Corp.**

August 14, 2020

**Independent Auditors' Report**

A further description of the auditor's responsibilities:

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's 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

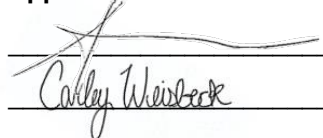
# Saskatchewan Cheerleading Association

## Statement of Financial Position

June 30, 2020

	Note	2020	2019
<b>Assets</b>			
<b>Current Assets</b>			
Cash		\$ 90,538	\$ 189,079
Accounts receivable		10,139	2,231
Inventory		2,751	-
Prepaid expenses	5.	8,187	22,081
<b>Total Current Assets</b>		<b>111,615</b>	<b>213,391</b>
<b>Total Assets</b>		<b>\$ 111,615</b>	<b>\$ 213,391</b>
<b>Liabilities and Net Assets</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities	6.	\$ 4,077	\$ 4,702
Deferred revenue		-	68,100
<b>Total Current Liabilities</b>		<b>4,077</b>	<b>72,802</b>
Net Assets		107,538	140,589
<b>Total Liabilities and Net Assets</b>		<b>\$ 111,615</b>	<b>\$ 213,391</b>

Approved on Behalf of the Board:

  
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Carly Weisbeck  
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The accompanying notes are an integral part of these financial statements.

# Saskatchewan Cheerleading Association

## Statement of Operations

For the Year Ended June 30, 2020

	2020	2019
<b>Revenue</b>		
Saskatchewan Lotteries Trust Fund (Schedule 1)	\$ 105,200	\$ 106,300
Self Help (Schedule 2)	72,939	219,206
<b>Total revenue</b>	<b>178,139</b>	<b>325,506</b>
<b>Operating expenses</b>		
Administration (Schedule 3)	87,470	84,788
Capacity/Interaction (Schedule 4)	37,914	52,507
Participation (Schedule 5)	40,114	94,563
Excellence (Schedule 6)	9,682	19,403
Membership Assistance Program (Schedule 7)	33,510	33,113
Adaptive Sport Club Grant	2,500	-
<b>Total operating expenses</b>	<b>211,190</b>	<b>284,374</b>
<b>Excess (Deficiency) of Revenues over Expenses</b>	<b>\$ (33,051)</b>	<b>\$ 41,132</b>

The accompanying notes are an integral part of these financial statements.

# Saskatchewan Cheerleading Association

## Statement of Changes in Net Assets

For the Year Ended June 30, 2020

	2020	2019
Net Assets, Beginning of Year	\$ 140,589	\$ 99,457
Excess (Deficiency) of Revenues over Expenses	(33,051)	41,132
<b>Net Assets, End of Year</b>	<b>\$ 107,538</b>	<b>\$ 140,589</b>

The accompanying notes are an integral part of these financial statements.

# Saskatchewan Cheerleading Association

## Statement of Cash Flows

For the Year Ended June 30, 2020

	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Revenues (deficiencies) over expenses	\$ (33,051)	\$ 41,132
Increase (decrease) in receivables	(7,908)	(418)
Increase (decrease) in inventories	(2,751)	-
Increase (decrease) in prepaid expenses	13,894	(13,551)
Increase (decrease) in accounts payable and accrued expenses	(625)	767
Increase (decrease) in deferred revenue	(68,100)	68,100
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>(98,541)</b>	<b>96,030</b>
<b>Net cash increase (decrease) in cash and cash equivalents</b>	<b>(98,541)</b>	<b>96,030</b>
Cash and cash equivalents at beginning of period	189,079	93,049
<b>Cash and cash equivalents at end of period</b>	<b>\$ 90,538</b>	<b>\$ 189,079</b>

The accompanying notes are an integral part of these financial statements.



# Saskatchewan Cheerleading Association

## Notes to the Financial Statements

For the Year Ended June 30, 2020

### 1. Purpose of the Organization

Saskatchewan Cheerleading Association is incorporated under the Non-Profit Corporations Act of Saskatchewan. The mission of Saskatchewan Cheerleading Association is to create opportunities for the sport of cheerleading in Saskatchewan.

### 2. Basis of Accounting

These financial statements are prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organization.

The entity is using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay. Expenses also include the amortization of tangible capital assets.

### 3. Significant Accounting Policies

#### a. Inventories

Inventory is stated at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

#### b. Property, plant and equipment

No capital equipment was purchased or expensed during the year.

#### c. Cash and Cash Equivalents

Cash and cash equivalents includes unrestricted cash in operating bank account.

#### d. 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, except for certain related party transactions. 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 transaction 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 revenues over expenses.

When there is an indication of impairment and such impairment is determined to have occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted cash flows expected or the proceeds that could be realized from sale of the financial asset. Such impairments can be reversed if the value subsequently improves.

# Saskatchewan Cheerleading Association

## Notes to the Financial Statements

For the Year Ended June 30, 2020

### 3. Significant Accounting Policies continued

#### e. Revenue recognition

The Saskatchewan Cheerleading Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenues in the year in which related expenses are incurred. Unrestricted contributions and self help revenue are recognized as revenue when received or receivable of the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increase in net assets.

#### f. Use of estimates

The preparation of financial statements in conformity with Canadian Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Accounts receivables are stated after evaluation as to the collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. These assumptions are reviewed periodically and, adjustments become necessary, they are reported in earnings in the periods in which they become known.

### 4. Economic Dependence and Risk

Saskatchewan Cheerleading Association's main source of revenue is from Saskatchewan Lotteries Trust Fund. A significant reduction from the fund may affect the viability of the association.

### 5. Prepaid expenses

	2020	2019
Competition expenses	\$ 2,106	\$ -
Conference travel/registration	-	1,400
Insurance	3,934	7,875
Internet hosting	503	503
Marketing - digital	-	9,097
Marketing - supplies	1,603	3,206
Subscriptions	41	-
<b>Total</b>	<b>\$ 8,187</b>	<b>\$ 22,081</b>

# Saskatchewan Cheerleading Association

## Notes to the Financial Statements

For the Year Ended June 30, 2020

### 6. Accounts payable and accrued expenses

	2020	2019
Accrued accounting and professional fees	\$ 3,906	\$ 3,763
Athlete assistance	-	100
Miscellaneous payables	155	839
PST payable	16	-
<b>Total</b>	<b>\$ 4,077</b>	<b>\$ 4,702</b>

### 7. Subsequent Event

On March 11, 2020, the World Health Organization declared a global pandemic for the COVID-19 virus. The Association is following health advisories and mandatory requirements from local, provincial and national health and government organizations. The future financial and operational impact on the Association, if any, is unknown at this time.

# Saskatchewan Cheerleading Association

For the Year Ended June 30, 2020

## Revenue Schedules

### Schedule 1

	2020	2019
<b>Sask Lotteries Trust Fund</b>		
Annual Funding	\$ 69,200	\$ 67,200
Hosting	-	6,000
Membership Assistance Program	33,500	33,100
Adaptive Sport Club Grant	2,500	-
	<b>\$ 105,200</b>	<b>\$ 106,300</b>

### Schedule 2

	2020	2019
<b>Self Help</b>		
Internal		
Competition & Clinic Fees	\$ 33,474	\$ 34,785
Membership Fees	34,379	50,390
Team & Athlete fees	-	57,340
External		
Fundraising	-	18,255
Grants	-	9,931
Merchandise sales (net)	253	-
Events admissions and sales	1,133	42,055
Sask Sport - Coaches and Officials Funding	1,250	750
Sponsorship	2,450	5,700
	<b>\$ 72,939</b>	<b>\$ 219,206</b>

The accompanying notes are an integral part of these financial statements.

# Saskatchewan Cheerleading Association

For the Year Ended June 30, 2020

## Expense Schedules

### Schedule 3

	2020	2019
<b>Administration</b>		
Audit	\$ 3,349	\$ 3,330
Insurance	8,813	8,586
Legal (payroll, bank charges)	5,254	5,724
Office Operations	3,989	3,147
Staff Salaries & Benefits	65,858	63,633
Staff travel	207	368
	<b>\$ 87,470</b>	<b>\$ 84,788</b>

### Schedule 4

	2020	2019
<b>Capacity/Interaction</b>		
Awards and recognition	\$ 5,092	\$ 2,564
Communications	8,096	7,732
Hosting	-	6,000
Marketing and promotions	10,719	3,792
Meetings	9,954	5,681
Memberships	566	13,444
Planning	607	11,434
Professional Development	2,880	1,860
	<b>\$ 37,914</b>	<b>\$ 52,507</b>

The accompanying notes are an integral part of these financial statements.

# Saskatchewan Cheerleading Association

For the Year Ended June 30, 2020

## Schedule 5

	2020	2019
<b>Participation</b>		
Athlete Development		
Competitions	\$ 1,882	\$ 51,659
Introductory	1,276	1,351
Under-Represented Population Initiative	-	3,146
Coach Development	11,936	15,992
Officials Development	25,020	22,415
	\$ 40,114	\$ 94,563

## Schedule 6

	2020	2019
<b>Excellence</b>		
Athlete Development		
Athlete Assistance	\$ 2,000	\$ 3,800
Training	-	9,495
Coach Development	3,537	3,901
Officials Development	3,990	1,491
Sports medicine and science	155	716
	\$ 9,682	\$ 19,403

The accompanying notes are an integral part of these financial statements.

# Saskatchewan Cheerleading Association

For the Year Ended June 30, 2020

## Schedule 7

	2020	2019
<b>Membership Assistance Program</b>		
306 Elite Cheer and Tumbling	\$ -	\$ 1,590
Airbourne Cheer Athletics Bluebirds	893	661
Balfour Collegiate	-	393
Bethlehem Collegiate	1,389	804
Boss Athletics	2,440	1,911
Carnduff Gym Club	-	250
Centennial Collegiate	516	643
Cheer Infinity Athletics	2,262	1,732
Cheer Legacy Athletics	2,282	2,965
Churchill Community High School	-	321
ECF Patriots	-	107
Eclipse Dance	813	1,089
Marion Graham Cheerleading	198	179
Miller High School & Alumni	714	-
Moose Jaw Cobras	1,071	1,107
Prairie Fire Cheerleading	7,301	7,305
Prince Albert Cheer Explosion	655	-
Queen City Cheerleading	-	804
Retro Pom	238	-
Retro Red	-	304
St. Michael School (Holy Family RCSSD)	238	232
Tommy Douglas Hip Hop	615	339
Tommy Douglas Junior Pom	397	393
Tommy Douglas Senior Pom	555	393
Twin Lakes Cheerleading	2,678	1,965
University of Saskatchewan Cheerleading	417	464
Warman Community Middle School	298	196
Warman High School	-	89
Warman Ultimate Cheerleading	5,139	4,947
Weyburn Comprehensive School	714	732
Yorkton Gridders Cheer	1,270	769
Yorkton Regional High School	417	429
	<b>\$ 33,510</b>	<b>\$ 33,113</b>

The accompanying notes are an integral part of these financial statements.