

Saskatchewan Cheerleading Association

Audited Financial Statements

June 30, 2021

Saskatchewan Cheerleading Association

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Independent Auditors' Report

To the Members of
Saskatchewan Cheerleading Association

Opinion

We have audited the financial statements of Saskatchewan Cheerleading Association, which comprise the statement of financial position as at June 30, 2021 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at June 30, 2021 and its financial performance and its cash flows for the year then ended in accordance with accounting standards for not-for-profit organizations (ASNPO).

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 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.

Independent Auditors' Report

- 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.

Priority Accounting Services CPA Prof. Corp.

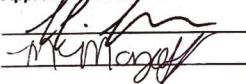
Saskatchewan Cheerleading Association

Statement of Financial Position

June 30, 2021

	Note	2021	2020
Assets			
Current Assets			
Cash	3.c. \$	137,489	\$ 90,538
Accounts receivable	5.	11,858	10,139
Inventory	3.a.	2,589	2,751
Prepaid expenses	6.	13,418	8,187
Total Current Assets		165,354	111,615
Total Assets		\$ 165,354	\$ 111,615
Liabilities and Net Assets			
Current Liabilities			
Accounts payable and accrued liabilities	7. \$	9,045	\$ 4,077
Net Assets		156,309	107,538
Total Liabilities and Net Assets		\$ 165,354	\$ 111,615

Approved on Behalf of the Board:



M. Kim Murray

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

Saskatchewan Cheerleading Association

Statement of Operations

For the Year Ended June 30, 2021

	2021	2020
Revenue		
Saskatchewan Lotteries Trust Fund, Sport Division (Schedule 1)	\$ 106,300	\$ 105,200
Self Help (Schedule 2)	137,802	72,939
Total revenue	244,102	178,139
Operating expenses		
Administration (Schedule 3)	90,445	87,470
Capacity/Interaction (Schedule 4)	23,765	37,914
Participation (Schedule 5)	10,298	40,114
Excellence (Schedule 6)	9,317	9,682
Categorical Grant Expenses (Schedule 7)	30,000	2,500
Membership Assistance Program (Schedule 8)	31,506	33,510
Total operating expenses	195,331	211,190
Excess (Deficiency) of Revenues over Expenses	\$ 48,771	\$ (33,051)

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, 2021

	2021	2020
Net Assets, Beginning of Year	\$ 107,538	\$ 140,589
Excess (Deficiency) of Revenues over Expenses	48,771	(33,051)
Net Assets, End of Year	\$ 156,309	\$ 107,538

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

Saskatchewan Cheerleading Association

Statement of Cash Flows

For the Year Ended June 30, 2021

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Revenues (deficiencies) over expenses	\$ 48,771	\$ (33,051)
Increase (decrease) in receivables	(1,719)	(7,908)
Increase (decrease) in inventories	162	(2,751)
Increase (decrease) in prepaid expenses	(5,231)	13,894
Increase (decrease) in accounts payable and accrued liabilities	4,968	(625)
Increase (decrease) in deferred revenue	-	(68,100)
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	46,951	(98,541)
Net cash increase (decrease) in cash and cash equivalents	46,951	(98,541)
Cash and cash equivalents at beginning of period	90,538	189,079
Cash and cash equivalents at end of period	\$ 137,489	\$ 90,538

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, 2021

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

Capital Assets are expensed as incurred. During the year, the Association expensed \$12,281 in capital equipment (2020-\$nil).

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, 2021

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 currently receives significant revenue in grants from Sask Lotteries Trust Fund for Sport, Culture and Recreation. As a result, the Association is dependent upon the continuance of these grants to maintain operations at their current level.

5. Accounts receivable

	2021	2020
Government of Canada CEWS	\$ 9,596	\$ -
Membership fees	294	-
Merchandise sales	85	73
Course exam fees	75	-
Taxes receivable	18	-
Sask Sport Grant	1,790	500
Competition and Clinic Fees	-	9,566
Total	\$ 11,858	\$ 10,139

Saskatchewan Cheerleading Association

Notes to the Financial Statements

For the Year Ended June 30, 2021

6. Prepaid expenses

	2021	2020
Competition expenses	\$ 2,106	\$ 2,106
Insurance	5,319	3,934
Internet hosting	318	503
Marketing - supplies	5,092	1,603
Subscriptions	583	41
Total	\$ 13,418	\$ 8,187

7. Accounts payable and accrued liabilities

	2021	2020
Accrued accounting and professional fees	\$ 3,982	\$ 3,906
Trade payables	4,393	155
PST payable	670	16
Total	\$ 9,045	\$ 4,077

8. Significant Event

The global pandemic declared by the World Health Organization on March 11, 2020 due to the outbreak of COVID-19 has cast uncertainty on the estimates, assumptions and critical judgement exercised by management. Although the development of successful vaccine candidates towards the end of calendar 2020 signals a turning point in the pandemic, uncertainty about the full deployment of these vaccines and continuing public health restrictions indicate that the pandemic will continue to impact the Canadian economy for the foreseeable future. The main effects of the COVID-19 pandemic on the Association's financial statements for the year ended June 30, 2021 are as follows:

- a. Certain self-help depends on occurrence of public sporting events that were restricted in the area the Association operates.
- b. The Association qualified for certain government assistance.

9. Comparative Figures:

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

Saskatchewan Cheerleading Association

For the Year Ended June 30, 2021

Revenue Schedules

Schedule 1

	2021	2020
Sask Lotteries Trust Fund, Sport Division		
Annual Funding	\$ 70,800	\$ 69,200
Membership Assistance Program	31,500	33,500
Adaptive Sport Club Grant	4,000	2,500
	\$ 106,300	\$ 105,200

Schedule 2

	2021	2020
Self Help		
Internal		
Competition & Clinic Fees	\$ 6,200	\$ 33,474
Membership Fees	21,157	34,379
Team & Athlete fees	800	-
External		
Donations	600	-
Other grants		
Government of Canada - CEWS	52,073	-
Minister of Canadian Heritage - COVID Relief Funding	55,660	-
Sask Sport - coaches and Officials Funding	750	1,250
Sales:		
Events admissions and sales	-	1,133
Merchandise sales (net)	102	253
Sponsorship	-	2,450
Sport Medicine & Science Council in-kind services	460	-
	\$ 137,802	\$ 72,939

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

Saskatchewan Cheerleading Association

For the Year Ended June 30, 2021

Expense Schedules

Schedule 3

	2021	2020
Administration		
Audit	\$ 3,330	\$ 3,349
Bad debt	250	-
Insurance	10,905	8,813
Office Operations		
Accounting & payroll fees	1,525	1,716
Bank charges	2,377	3,538
Office Supplies	4,600	2,094
Phone	1,045	1,321
Printing/photocopying/postage	320	574
Staff Salaries & Benefits	66,093	65,858
Staff travel	-	207
	\$ 90,445	\$ 87,470

Schedule 4

	2021	2020
Capacity/Interaction		
Awards and recognition	\$ 3,307	\$ 5,092
Communications	13,399	8,096
Marketing and promotions	1,289	10,719
Meetings	2,856	9,954
Memberships	645	566
Planning	2,194	607
Professional development	75	2,880
	\$ 23,765	\$ 37,914

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

Saskatchewan Cheerleading Association

For the Year Ended June 30, 2021

Schedule 5

	2021	2020
Participation		
Athlete Development		
Athlete assistance	\$ 1,500	\$ -
Competitions	-	1,882
Introductory programs	1,650	1,276
Coach development	2,665	11,936
Officials development	4,483	25,020
	\$ 10,298	\$ 40,114

Schedule 6

	2021	2020
Excellence		
Athlete Development		
Athlete Assistance	\$ -	\$ 2,000
Training	2,189	-
Coach Development	5,635	3,537
Officials Development	1,033	3,990
Sports medicine and science	460	155
	\$ 9,317	\$ 9,682

Schedule 7

	2021	2020
Categorical Grant Expenses		
Adaptive Sport Club Grant	\$ 4,000	\$ 2,500
Minister of Canadian Heritage - COVID Relief expenses	26,000	-
	\$ 30,000	\$ 2,500

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

Saskatchewan Cheerleading Association

For the Year Ended June 30, 2021

Schedule 8

	2021	2020
Membership Assistance Program		
306 Elite Cheer and Tumbling	\$ 2,825	\$ -
Airbourne Cheer Athletics Bluebirds	1,141	893
Bethlehem Collegiate	-	1,389
Boss Athletics	3,341	2,440
Centennial Collegiate	-	516
Cheer Infinity athletics	2,472	2,262
Cheer Legacy Athletics	-	2,282
Eclipse Dance	-	813
Marion Graham Cheerleading	-	198
Miller High School & Alumni	-	714
Moose Jaw Cobras	-	1,071
Prairie Fire Cheerleading	7,197	7,301
Prince Albert Cheer Explosion	1,032	655
Rebels Cheerleading Athletics	2,988	-
Retro Pom	-	238
St. Michael School (Holy Family RCSSD)	-	238
Tommy Douglas Hip hop	-	615
Tommy Douglas Junior Pom	-	397
Tommy Douglas Senior Pom	-	555
Twin Lakes Cheerleading	-	2,678
University of Saskatchewan Cheerleading	598	417
Warman Community Middle School	-	298
Warman Ultimate Cheerleading	-	5,139
Warman and Humboldt Ultimate Cheerleading	6,490	-
Weyburn Comprehensive School	-	714
Yorkton Gridders Cheer	3,422	1,270
Yorkton Regional High School	-	417
	\$ 31,506	\$ 33,510

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