

Regina Minor Football 2000 Inc.
Financial Statements
December 31, 2022

Management's Responsibility

To the Members of Regina Minor Football 2000 Inc.:

Management is responsible for the preparation and fair presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of members who are neither management nor employees of the Organization. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Organization's external auditors.

MNP LLP is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

May 18, 2023



Executive Director

Independent Auditor's Report

To the Members of Regina Minor Football 2000 Inc.:

Qualified Opinion

We have audited the financial statements of Regina Minor Football 2000 Inc. (the "Organization"), which comprise the statement of financial position as at December 31, 2022, and the statements of operations, changes in net assets and cash flows and supporting schedules for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives part of its revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to the revenues mentioned above, surplus of revenues over expenses, assets and net assets.

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 the Organization 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 qualified opinion.

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 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 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 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 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.

Regina, Saskatchewan

May 18, 2023

MNP LLP

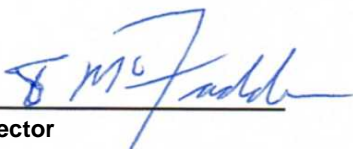
Chartered Professional Accountants

Regina Minor Football 2000 Inc.
Statement of Financial Position

As at December 31, 2022

	2022	2021
Assets		
Current		
Cash	187,335	226,483
Cash held in trust (Note 3)	270,320	280,178
Inventory for resale (Note 4)	16,973	24,300
	474,628	530,961
Capital assets (Note 5)	3,859,571	4,041,152
	4,334,199	4,572,113
Liabilities		
Current		
Accounts payable and accruals	14,057	14,140
Deferred contributions related to capital assets (Note 6)	132,804	128,042
Current portion of long-term debt (Note 8)	40,000	-
Demand Loan (Note 7)	832,500	999,000
	1,019,361	1,141,182
Long-term debt (Note 8)	-	40,000
Deferred contributions - amounts held in trust (Note 3)	270,320	280,178
Deferred contributions related to capital assets (Note 6)	2,401,529	2,439,095
	3,691,210	3,900,455
Net Assets	642,989	671,658
	4,334,199	4,572,113

Approved on behalf of the Board



Director



Director

The accompanying notes are an integral part of these financial statements

Regina Minor Football 2000 Inc.
Statement of Operations
For the year ended December 31, 2022

	2022	2021
Revenue (Schedule 1)		
Contributions	200,140	243,019
Fundraising	154,666	144,672
Memberships	436,730	349,299
Rental income	26,003	21,326
	817,539	758,316
Other revenue		
Sale of goods	36,243	25,215
Cost of goods sold	(30,942)	(21,164)
	5,301	4,051
Total revenue	822,840	762,367
Expenses		
Administrative	145,921	146,870
Amortization	211,929	208,372
Bank charges and interest	1,406	725
Coaches development	14,389	6,730
Cost of 50/50 sales	66,814	58,547
Donations and promotions	45,162	17,803
Equipment room	33,559	39,699
Fields	19,114	20,836
Football Saskatchewan registration	42,540	40,176
Game officials	55,013	46,360
HQ Facility Operations	39,865	34,531
Insurance	12,581	12,465
Interest on long-term debt	50,389	38,334
Professional fees	6,715	5,083
Property tax	3,563	3,067
Repairs and maintenance	1,217	185
Spring league	38,090	41,806
Streaming services	29,243	9,421
Telephone	7,447	6,858
Travel	11,298	13,062
U16 program	15,254	15,287
Total expenses	851,509	766,217
Deficiency of revenue over expenses before other items	(28,669)	(3,850)
Other items		
Government assistance	-	10,000
Deficiency of revenue over expenses	(28,669)	6,150

The accompanying notes are an integral part of these financial statements

Regina Minor Football 2000 Inc.
Statement of Changes in Net Assets
For the year ended December 31, 2022

	2022	2021
Net assets, beginning of year	671,658	665,508
Deficiency of revenue over expenses	(28,669)	6,150
Net assets, end of year	642,989	671,658

The accompanying notes are an integral part of these financial statements

Regina Minor Football 2000 Inc.

Statement of Cash Flows

For the year ended December 31, 2022

	2022	2021
Cash provided by (used for) the following activities		
Operating		
Deficiency of revenue over expenses	(28,669)	6,150
Amortization	211,929	208,372
Amortization of deferred contributions related to capital assets	(132,803)	(128,042)
Government assistance - debt forgiveness	-	(10,000)
Changes in working capital accounts		
Inventory	7,327	3,959
Accounts payable and accruals	(83)	(40,309)
Deferred contributions - amounts held in trust	(9,858)	(59,237)
	47,843	(19,107)
Financing		
Repayments demand loan	(166,500)	(126,000)
Advances of long-term debt	-	20,000
Contributions received related to capital assets	100,000	50,000
	(66,500)	(56,000)
Investing		
Purchase of capital assets	(30,349)	(79,732)
(Decrease) in cash resources	(49,006)	(154,839)
Cash resources, beginning of year	506,661	661,500
Cash resources, end of year	457,655	506,661
Cash resources are composed of:		
Cash	187,335	226,483
Cash held in trust	270,320	280,178
	457,655	506,661

The accompanying notes are an integral part of these financial statements

Regina Minor Football 2000 Inc. Notes to the Financial Statements

For the year ended December 31, 2022

1. Incorporation and nature of the organization

Regina Minor Football 2000 Inc. (the "Organization") was incorporated on November 8, 2000 under The Non-Profit Corporation Act of Saskatchewan. The objectives of the organization are to:

- a) promote amateur football in the City of Regina and surrounding area, and the development of the fundamental skills of the sport of football;
- b) build character and promote sportsmanship among all individuals associated with the sport of football; and,
- c) operate the Organization in a business-like manner.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, and include the following significant accounting policies:

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Buildings	25 years
Football equipment	10 years
Scoreboard	20 years
Office furniture and equipment	5 years
Field improvements	5 years

Revenue recognition

The Organization 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, fundraising revenue and rental income are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership fees are recognized as revenue over the related league season.

Sale of goods is recognized as revenue when shipment has occurred and amount to be received can be reasonably estimated and collection is reasonably assured.

Financial instruments

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments, including cash, restricted cash, accounts receivable, accounts payable and accruals and long term debt are initially recorded at their fair value. All financial instruments are subsequently measured at amortized cost.

Transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost.

Regina Minor Football 2000 Inc.
Notes to the Financial Statements
For the year ended December 31, 2022

2. Significant accounting policies *(Continued from previous page)*

Measurement uncertainty

The preparation of financial statements in conformity 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 date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Income taxes

The Organization is incorporated under The Non-Profit Corporations Act of Saskatchewan and as such is exempt from income taxes.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first in, first out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Government assistance

The Organization recognizes government assistance when there is reasonable assurance that it will comply with the conditions required to qualify for the assistance, and that the assistance will be received.

3. National Sport Trust Fund and the Sport Legacy Fund

Contributions received during the year that are directed by the donors for future purchases are paid directly to National Sport Trust Fund and Sport Legacy Fund, where they are held in trust. The funds are held in trust until the eligible expenditures are incurred, at which point, the funds are deposited into the Organizations account, and the amount recorded into income as the related expenses are incurred. For capital contributions, this revenue is recognized into income on the same basis as the related assets are amortized.

The balances available to the Organization in the National Sport Trust Fund and the Sport Legacy Fund are:

	2022	2021
National Sport Trust Fund – Artificial Turf Fund	1,000	-
National Sport Trust Fund – Individual Donations Fund	76,500	63,425
National Sport Trust Fund – Capital Project	47,790	78,782
Sport Legacy Fund – Artificial Turf Capital Fund	126,322	120,174
Sport Legacy Fund – Individual Donations Fund	18,708	17,797
	270,320	280,178

Regina Minor Football 2000 Inc.
Notes to the Financial Statements
For the year ended December 31, 2022

4. Inventory for resale

	2022	2021
Equipment inventory for sale	16,973	24,300

The cost of inventories recognized as an expense and included in cost of goods sold amounted to \$30,942 (2021 - \$21,164).

5. Capital assets

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Buildings	4,260,623	852,125	3,408,498	3,578,923
Football equipment	513,482	455,014	58,468	48,723
Scoreboard	426,206	42,620	383,586	404,896
Office furniture and equipment	24,041	15,022	9,019	8,610
Field improvements	400,000	400,000	-	-
	5,624,352	1,764,781	3,859,571	4,041,152

6. Deferred contributions related to capital assets

Deferred capital contributions consist of the unamortized amount of contributions received for the purchase of capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized. Changes in deferred capital contributions are as follows:

	2022	2021
Balance, beginning of year	2,567,137	2,645,179
Amount received during the year	100,000	50,000
Less: Amounts recognized as revenue during the year	(132,804)	(128,042)
	2,534,333	2,567,137
Less: current portion	132,804	128,042
Balance, end of year	2,401,529	2,439,095

Regina Minor Football 2000 Inc.
Notes to the Financial Statements
For the year ended December 31, 2022

7. Term loans due on demand

	<i>2022</i>	<i>2021</i>
Demand loan with annual payment of \$166,500, plus monthly interest payments at prime + 1%, due on demand, matures December 2027. General security agreement pledged as collateral.	832,500	999,000

Principal repayments on term loans due on demand in each of the next five years are estimated as follows:

2023	166,500
2024	166,500
2025	166,500
2026	166,500
2027	166,500
	832,500

8. Long-term debt

Canada Emergency Business Account loan due December 31, 2023. \$20,000 eligible for forgiveness if \$40,000 is paid on/before December 31, 2023. Interest free for the term. Option to convert loan after this date into a 3 year term loan at an interest rate of 5%.

9. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Organization is exposed to interest rate cash flow risk with respect to their demand loan which is subject to floating interest rates which fluctuate with the changes in the Conexus Credit Union prime rate

10. Comparative figures

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

Regina Minor Football 2000 Inc.
Schedule 1 – Revenue by category
For the year ended December 31, 2022

	2022	2021
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Contributions		
Affiliate fees	2,450	2,050
Deferred capital contributions recognized	132,804	128,042
Donations	24,845	56,340
Football Saskatchewan membership	30,576	29,016
Saskatchewan Lotteries grant	6,403	24,392
Miscellaneous	3,062	3,179
	<hr/>	<hr/>
	200,140	243,019
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Fundraising		
Future development	-	24,120
50/50 sales	132,092	106,219
Fundraising activities - net	9,350	6,713
Bowl Game advertising	10,224	4,620
Canteen income - net	3,000	3,000
	<hr/>	<hr/>
	154,666	144,672
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Membership		
Basic fees	326,325	263,849
Spring league fees	64,055	60,970
U 16 program	31,485	17,090
Female fees	14,865	7,390
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	436,730	349,299
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Rental income		
Rental income	26,003	21,326
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	817,539	758,316
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