

Regina Minor Football 2000 Inc.
Financial Statements
December 31, 2023

Management's Responsibility

To the Members of Regina Minor Football 2000 Inc.:

Management is responsible for the preparation and 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 Directors 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 16, 2024



Executive Director

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, 2023, 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, 2023, 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 16, 2024

MNP LLP

Chartered Professional Accountants

Regina Minor Football 2000 Inc.
Statement of Financial Position

As at December 31, 2023

	2023	2022
Assets		
Current		
Cash	121,431	187,335
Cash held in trust (Note 3)	215,010	270,320
Accounts receivable	53,696	-
Inventory for resale (Note 4)	19,212	16,973
	409,349	474,628
Capital assets (Note 5)	3,709,020	3,859,571
	4,118,369	4,334,199
Liabilities		
Current		
Accounts payable and accruals	46,416	14,058
Deferred contributions related to capital assets (Note 6)	137,804	132,804
Current portion of long-term debt (Note 8)	-	40,000
Demand Loan (Note 7)	666,000	832,500
	850,220	1,019,362
Deferred contributions - amounts held in trust (Note 3)	215,010	270,320
Deferred contributions related to capital assets (Note 6)	2,358,725	2,401,529
	3,423,955	3,691,211
Net Assets	694,414	642,988
	4,118,369	4,334,199

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, 2023

	2023	2022
Revenue (Schedule 1)		
Contributions	266,190	200,140
Fundraising	254,727	154,666
Memberships	460,890	425,870
Rental income	19,637	26,003
	1,001,444	806,679
Other revenue		
Sale of goods	32,345	36,243
Cost of goods sold	(30,278)	(30,942)
	2,067	5,301
Total revenue	1,003,511	811,980
Expenses		
Administrative	142,813	145,921
Amortization	217,338	211,929
Bank charges and interest	9,180	1,406
Coaches development	28,961	25,687
Donations and promotions	32,407	45,162
Equipment room	51,115	33,559
Fields	19,633	19,114
Football Saskatchewan registration	48,680	42,540
Fundraising	140,181	66,814
Game officials	55,535	55,013
HQ Facility Operations	37,981	39,865
Insurance	13,325	12,581
Interest on long-term debt	61,515	50,389
Professional fees	8,974	6,715
Property tax	3,462	3,563
Repairs and maintenance	250	1,217
Spring league	27,520	27,230
Streaming services	26,148	29,243
Telephone	6,405	7,447
U16 program	20,662	15,254
Total expenses	952,085	840,649
Excess (deficiency) of revenue over expenses	51,426	(28,669)

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, 2023

	2023	2022
Net assets, beginning of year	642,988	671,657
Excess (deficiency) of revenue over expenses	51,426	(28,669)
Net assets, end of year	694,414	642,988

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, 2023

	2023	2022
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	51,426	(28,669)
Amortization	217,338	211,929
Amortization of deferred contributions related to capital assets	(137,804)	(132,803)
	130,960	50,457
Changes in working capital accounts		
Accounts receivable	(53,696)	-
Inventory	(2,239)	7,327
Accounts payable and accruals	32,358	(84)
Deferred contributions - amounts held in trust	(55,310)	(9,858)
	52,073	47,842
Financing		
Repayments demand loan	(166,500)	(166,500)
Repayment of long-term debt	(40,000)	-
Contributions received related to capital assets	100,000	100,000
	(106,500)	(66,500)
Investing		
Purchase of capital assets	(66,787)	(30,348)
Decrease in cash resources	(121,214)	(49,006)
Cash resources, beginning of year	457,655	506,661
Cash resources, end of year	336,441	457,655
Cash resources are composed of:		
Cash	121,431	187,335
Cash held in trust	215,010	270,320
	336,441	457,655

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, 2023

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:

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

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.

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.

Income taxes

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

Measurement uncertainty (use of estimates)

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.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of capital assets.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

Financial instruments

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

The Organization subsequently measures financial assets and liabilities at amortized cost.

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

Financial asset impairment

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenue over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenue over expenses in the year the reversal occurs.

Regina Minor Football 2000 Inc.
Notes to the Financial Statements
For the year ended December 31, 2023

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:

	2023	2022
National Sport Trust Fund – Artificial Turf Fund	1,000	1,000
National Sport Trust Fund – Individual Donations Fund	26,920	76,500
National Sport Trust Fund – Capital Project	12,640	47,790
Sport Legacy Fund – Artificial Turf Capital Fund	132,785	126,322
Sport Legacy Fund – Individual Donations Fund	19,665	18,708
Kelly Hamilton ES Fund	22,000	-
	215,010	270,320

4. Inventory for resale

	2023	2022
Equipment inventory for sale	19,212	16,973

The cost of inventories recognized as an expense and included in cost of goods sold amounted to \$30,278 (2022 - \$30,942).

5. Capital assets

	<i>Cost</i>	<i>Accumulated amortization</i>	2023 Net book value	2022 Net book value
Buildings	4,260,623	1,022,550	3,238,073	3,408,498
Football equipment	578,433	475,442	102,991	58,468
Scoreboard	426,206	63,931	362,275	383,586
Office furniture and equipment	25,878	20,197	5,681	9,019
Field improvements	400,000	400,000	-	-
	5,691,140	1,982,120	3,709,020	3,859,571

Regina Minor Football 2000 Inc.
Notes to the Financial Statements
For the year ended December 31, 2023

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:

	2023	2022
Balance, beginning of year	2,534,333	2,567,137
Amount received during the year	100,000	100,000
Less: Amounts recognized as revenue during the year	(137,804)	(132,804)
	2,496,529	2,534,333
Less: current portion	137,804	132,804
Balance, end of year	2,358,725	2,401,529

7. Term loans due on demand

	2023	2022
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.	666,000	832,500

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

2024	166,500
2025	166,500
2026	166,500
2027	166,500
	666,000

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, 2023

	2023	2022
Contributions		
Affiliate fees	2,051	2,450
Deferred capital contributions recognized	137,804	132,804
Donations	68,058	24,845
Football Saskatchewan membership	30,425	30,576
Saskatchewan Lotteries grant	22,918	6,403
Miscellaneous	4,934	3,062
	266,190	200,140
Fundraising		
Future development	-	-
50/50 sales	185,818	132,092
Fundraising activities - net	4,154	9,350
Kelly Hamilton golf tournament	45,956	-
Bowl Game advertising	15,799	10,224
Canteen income - net	3,000	3,000
	254,727	154,666
Membership		
Basic fees	353,934	326,325
Spring league fees	59,889	53,195
U 16 program	33,467	31,485
Female fees	13,600	14,865
	460,890	425,870
Rental income		
Rental income	19,637	26,003
	1,001,444	806,679