

SASKATCHEWAN LACROSSE ASSOCIATION INC.
FINANCIAL STATEMENTS
AUGUST 31, 2015

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

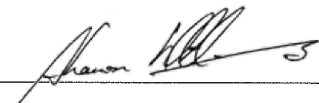
To the Members of
Saskatchewan Lacrosse Association Inc.

Management has responsibility for preparing the accompanying financial statements and ensuring that all information on any related reports is consistent with the financial statements. This responsibility includes selecting appropriate accounting policies and making objective judgements and estimates in accordance with Canadian accounting standards for not-for-profit organizations.

In discharging its responsibilities for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded, and proper records maintained.

Ultimate responsibility for financial statements to members lies with the Board of Directors.

Marcia Herback Chartered Accountant Professional Corporation, an independent firm, has been appointed by the members to audit the financial statements and report to them; their report follows. The independent auditor has full and free access to the Board and management to discuss their audit findings as to the integrity of the organization's financial reporting and the adequacy of the system of internal controls.



President



Treasurer

July 11, 2016
Regina, Saskatchewan

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Saskatchewan Lacrosse Association Inc.

I have audited the accompanying financial statements of Saskatchewan Lacrosse Association Inc., which comprise the statement of financial position as at August 31, 2015, and the statements of operation, change in net assets and cash flow statement for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

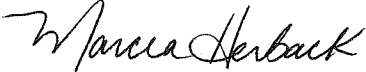
Basis for Qualified Opinion

In common with many non-profit organizations, Saskatchewan Lacrosse Association Inc. derives part of its revenue from the general public, the completeness and classification of which are not susceptible to satisfactory audit verification. Accordingly my verification of these transactions was limited to accounting for the amounts recorded in the records of the organization and I was not able to determine whether any adjustments might be necessary to the revenues, statement of operations, assets and net assets.

Qualified Opinion

In my opinion, except for the effects, if any, of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Lacrosse Association Inc. as at August 31, 2015 and its financial performance and its cash flows for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Regina, Saskatchewan
July 11, 2016




Marcia Herback
CPA, CA

SASKATCHEWAN LACROSSE ASSOCIATION INC.
STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2015
(with comparative figures for 2014)

	2015	2014
ASSETS		
Current assets		
Cash and cash equivalents	\$ 287,584	\$ 291,634
Accounts receivable	213,701	165,065
Prepaid expenses	6,895	4,681
Sport Legacy Fund	<u>28,064</u>	<u>24,939</u>
	536,244	486,319
Tangible capital assets (Note 4)	<u>-</u>	<u>599</u>
	<u>\$ 536,244</u>	<u>\$ 486,918</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 87,493	\$ 44,234
Team refundable deposits	2,400	2,400
Deferred Sport Legacy Fund	28,064	24,939
Deferred revenue (Note 5)	<u>117,250</u>	<u>112,300</u>
	<u>235,207</u>	<u>183,873</u>
NET ASSETS		
Invested in tangible capital assets	-	599
Appropriated net assets (Note 6)	26,125	24,993
Unrestricted net assets	<u>274,912</u>	<u>277,453</u>
	<u>301,037</u>	<u>303,045</u>
	<u>\$ 536,244</u>	<u>\$ 486,918</u>

See accompanying notes

Approved on Behalf of the Board


 _____ Director

 _____ Director

SASKATCHEWAN LACROSSE ASSOCIATION INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED AUGUST 31, 2015
(with comparative figures for 2014)

	2015	2014
Revenue		
Saskatchewan Lotteries Trust Fund, Sport Division (Schedule 1)	\$ 190,800	\$ 194,641
Canadian Lacrosse Association	31,232	2,459
Self help (Schedule 2)	<u>232,915</u>	<u>286,873</u>
	<u>454,947</u>	<u>483,973</u>
Expenditure		
Administration (Schedule 3)	72,043	75,917
Capacity/Interaction (Schedule 4)	90,584	75,784
Participation (Schedule 5)	80,232	88,542
Excellence (Schedule 6)	153,574	185,289
Membership Assistance Program (Schedule 7)	41,600	36,600
Categorical Grants (Schedule 8)	<u>18,922</u>	<u>44,364</u>
	<u>456,955</u>	<u>506,496</u>
Excess of revenues over expenditures	<u>\$ (2,008)</u>	<u>\$ (22,523)</u>

See accompanying notes

SASKATCHEWAN LACROSSE ASSOCIATION INC.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2015
(with comparative figures for 2014)

	Unrestricted	Invested in Tangible Capital Assets	Restricted Assets	<u>2015</u>	<u>2014</u>
Net Assets					
Balance, beginning of year	\$ 277,453	599	24,993	\$ 303,045	\$ 325,568
Excess of revenues over expenditures	(3,140)	-	1,132	(2,008)	(22,523)
Invested in tangible capital assets	599	(599)	-	-	-
Interfund transfers (Note 6)	-	-	-	-	-
Balance, end of year	<u>\$ 274,912</u>	<u>-</u>	<u>26,125</u>	<u>\$ 301,037</u>	<u>\$ 303,045</u>

See accompanying notes

SASKATCHEWAN LACROSSE ASSOCIATION INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2015
(with comparative figures for 2014)

	2015	2014
Operating activities		
Excess of revenues over expenditures	\$ (2,008)	\$ (22,523)
Items not involving an outlay (receipt) of cash		
Amortization	<u>599</u>	<u>722</u>
	(1,409)	(21,801)
Net change in non-cash operating working capital balances		
Accounts receivable	(48,636)	(131,304)
Sport Legacy Fund	(3,125)	17,978
Prepaid expenses	(2,214)	515
Accounts payable and accrued liabilities	43,259	24,919
Deferred Sport Legacy Fund	3,125	(17,978)
Deferred revenue	<u>4,950</u>	<u>6,500</u>
Cash used in operating activities	<u>(4,050)</u>	<u>(121,171)</u>
Decrease in cash	(4,050)	(121,171)
Cash position, beginning of year	<u>291,634</u>	<u>412,805</u>
Cash position, end of year	<u>\$ 287,584</u>	<u>\$ 291,634</u>

See accompanying notes

SASKATCHEWAN LACROSSE ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015

1. Status and nature of activities

Saskatchewan Lacrosse Association Inc. is the provincial sport governing body dedicated to the promotion of lacrosse for all and the development of competitive excellence. The Association is incorporated under the Non-Profit Corporations Act of Saskatchewan. Under present legislation, no income taxes are payable on the reported income of such operations.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

Tangible capital assets

Tangible capital assets are initially recorded at cost. Amortization is provided for using the straight-line method over the estimated useful lives of the assets at the following annual rates:

Computer hardware	3 years
Computer software	3 years
Equipment	3 years

Revenue recognition

Grants from Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation are received out of the net proceeds of lottery ticket sales in Saskatchewan. These grants have been recorded as revenue by the Association as approved by Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreations. Accordingly, any amounts not received by year end are shown as grant receivable and any amounts received relating to the next fiscal period are shown as deferred grant revenue.

Financial instruments

The Saskatchewan Lacrosse Association Inc. initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash and cash equivalents and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities.

Management estimates

The preparation of the 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 at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

3. Sport Legacy Fund

The fund of deposit and the offsetting deferred revenue from the Sport Legacy Fund consists of donations based on various programs and top-up contributions made by Sask Sport Inc. To qualify for the additional top-up contributions made by Sask Sport Inc, the Association is required to leave the original amount of donation in the Sport Legacy Fund for a minimum of 5 years.

SASKATCHEWAN LACROSSE ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015

4. Tangible capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2015 Net Book Value</u>	<u>2014 Net Book Value</u>
Computer hardware	\$ 12,597	12,597	\$ -	\$ 599
Computer software	729	729	-	-
Equipment	8,484	8,484	-	-
	<u>\$ 21,810</u>	<u>21,810</u>	<u>\$ -</u>	<u>\$ 599</u>

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SASKATCHEWAN LACROSSE ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015

5. Deferred revenue

During 2015, Saskatchewan Lacrosse Association Inc. received \$117,250 from the Saskatchewan Lotteries Trust Fund for expenses which will occur in the following fiscal year (2014 - \$112,300).

6. Appropriated net assets

The Board of Directors of Saskatchewan Lacrosse Association Inc. has established a Box Lacrosse Contingency Fund and a Field Lacrosse Contingency Fund for the purpose of accumulating funds for the future development in these areas. A fee of one dollar per player is assessed annually as a contribution towards the fund.

During the year \$1,483 (2014 - \$1,512) was contributed to the Box Lacrosse Contingency Fund and \$742 (2014 - \$776) was contributed to the Field Lacrosse Contingency Fund. The Field Lacrosse Contingency Fund had expenses of \$1,093 (2014-nil) and had an ending balance of \$4,778 (2014-\$5,129). Box Lacrosse Contingency Fund had no expenses in the current year (2014 - \$1,899) and had an ending balance of \$21,347 (2014-\$19,864).

7. Economic dependence

Saskatchewan Lacrosse Association Inc. receives a significant portion of its revenue from grants received from Saskatchewan 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.

8. Financial instruments

Saskatchewan Lacrosse Association Inc. is exposed to various risks through its financial instruments. The following analysis provides a measure of the Saskatchewan Lacrosse Association Inc.'s exposure and concentrations at August 31, 2015:

Credit risk

Credit risk arises from the potential that a party may default on their financial obligations, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the Association could incur a financial loss. The Association is exposed to credit risk with respect to cash and cash equivalents and accounts receivable. The Association manages its credit risk by placing cash with major financial institutions. Credit risk for accounts receivable is managed by the credit quality and diverse debtor base and creating an allowance for bad debts where applicable. There has been no change from credit risk exposure from 2014.

Liquidity risk

Liquidity risk is the risk that the Association may not be able to meet a demand for cash or fund its obligations as they come due or not being able to liquidate assets in a timely manner at a reasonable price. The Association is exposed to liquidity risk with respect to its accounts payable and accrued liabilities but manages its liquidity risk by holding assets that can be readily converted into cash. There has been no change from liquidity risk exposure from 2014.

Interest rate risk

Interest rate risk is a type of market risk that refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The Association is exposed to interest rate risk with respect to its cash and cash equivalents and its effect on interest income. Fluctuations in interest rates do not have a significant effect on cash due to the fact that interest income is not a major percentage of total revenue. There has been no change from interest risk exposure from 2014.

9. Comparative figures

MARCIA HERBACK
Chartered Accountant
Professional Corporation

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SASKATCHEWAN LACROSSE ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015

The certain comparative figures have been reclassified to conform with the current year's presentation.

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SASKATCHEWAN LACROSSE ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015
(with comparative figures for 2014)

	2015	2014
Saskatchewan Lotteries Trust Fund, Sport Division		
		Schedule 1
Annual funding	\$ 142,000	\$ 137,800
Membership assistance program	41,300	36,900
NAIG Aboriginal Excellence	-	19,941
Hosting grant	7,500	-
	<u>\$ 190,800</u>	<u>\$ 194,641</u>
Self help		
		Schedule 2
Internal		
Competition and clinic fees	\$ 13,282	\$ 19,857
Membership fees	84,300	86,428
Membership assessment	2,225	-
Team/Athlete fees	107,118	112,379
External		
Fundraising	5,965	14,300
Donations	25	125
Interest	1,225	1,584
Sales	4,208	6,165
Sport legacy revenue	-	23,100
Other government grants	14,567	22,935
Miscellaneous revenue	-	-
	<u>\$ 232,915</u>	<u>\$ 286,873</u>

SASKATCHEWAN LACROSSE ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015
(with comparative figures for August 31, 2014)

	2015	2014
Administration		
		Schedule 3
Amortization	\$ 599	\$ 722
Audit and accounting	5,770	4,736
Bad debt	948	-
Insurance	8,331	8,193
Office operations	16,545	19,712
Staff salaries and benefits	35,589	30,406
Staff travel	4,261	12,148
	<u>\$ 72,043</u>	<u>\$ 75,917</u>
Capacity/Interaction		
		Schedule 4
Clothing	\$ 6,540	\$ 11,638
Hosting	28,948	-
Marketing and promotions	6,326	19,798
Annual General Meeting	18,878	12,975
Board and committee meetings	6,787	5,015
National meetings	15,744	11,270
Membership	81	-
Newsletter	-	399
Staff and volunteer recognition	5,744	4,533
Website online registration	198	7,605
Planning and policy development	1,338	2,551
	<u>\$ 90,584</u>	<u>\$ 75,784</u>
Participation		
		Schedule 5
Athlete development		
Competition	\$ 27,390	\$ 32,048
Introductory programs	1,819	1,265
Technical salaries and benefits	24,577	33,471
Coaching development	5,337	4,661
Officials development	3,220	3,605
Technical materials	5,986	9,525
Target group - Aboriginal development	11,903	3,967
	<u>\$ 80,232</u>	<u>\$ 88,542</u>
Excellence		
		Schedule 6
Athlete development		
Athlete assistance	\$ -	\$ 7,400
Competition	101,196	136,300
Technical salaries and benefits	18,313	12,527
Training	10,019	7,202
Coaching and coach development		
Coaching development	-	2,680
Excellence programming	20,948	16,360
Officials development	3,098	2,820
	<u>\$ 153,574</u>	<u>\$ 185,289</u>

SASKATCHEWAN LACROSSE ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015
 (with comparative figures for 2014)

	2015	2014
Membership Assistance Program		
		Schedule 7
East Central Lacrosse Association	\$ 1,161	\$ 636
Estevan Lacrosse Association	2,687	2,317
Melfort Lacrosse Association	2,218	1,965
Moose Jaw Lacrosse Association	4,723	2,595
Prince Albert Lacrosse	4,129	4,260
Queen City Minor Box Lacrosse	10,343	10,251
Saskatoon Box Lacrosse Association	9,145	9,143
Saskatoon Field Lacrosse Association	4,793	3,986
Swift Current Lacrosse Association	2,069	1,165
Yorkton Lacrosse Association	332	282
	<u>\$ 41,600</u>	<u>\$ 36,600</u>
Categorical grants		
		Schedule 8
Long term athlete development grant expenses	\$ 232	\$ 12,402
NAIG Aboriginal Excellence	-	19,941
National dues/affiliations	18,690	12,021
GST Rebate - CRA under 40%	-	-
	<u>\$ 18,922</u>	<u>\$ 44,364</u>