

SASKATCHEWAN ROWING ASSOCIATION INC.

FINANCIAL STATEMENTS

MARCH 31, 2018

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

To the Members of
Saskatchewan Rowing 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.

Independent auditors appointed by the members audit the financial statements. The independent auditors report directly to the members and their report follows. The independent auditors have 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

VP of Programs

May 25, 2018
Saskatoon, Saskatchewan

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Saskatchewan Rowing Association Inc.

I have audited the accompanying financial statements of Saskatchewan Rowing Association Inc., which comprise the statement of financial position as at March 31, 2018 and the statements of operations and cumulative surplus and cash flows for the year 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.

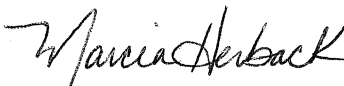
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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 audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Rowing Association Inc. as at March 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for profit organizations.

Regina, Saskatchewan
May 25, 2018


Marcia Herback
CPA, CA

SASKATCHEWAN ROWING ASSOCIATION INC.
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2018
(with comparative figures for 2017)

	2018	2017
ASSETS		
Current assets		
Cash and short-term deposits	\$ 95,822	\$ 55,008
Accounts receivable	1,246	5,371
Prepaid expenses	<u>183</u>	<u>868</u>
	<u>\$ 97,251</u>	<u>\$ 61,247</u>
Long term assets		
Sport Legacy funds on deposit (Note 4)	<u>27,765</u>	<u>26,414</u>
	<u>\$ 125,016</u>	<u>\$ 87,661</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 10,533	\$ 4,809
Deferred revenue	<u>27,766</u>	<u>26,414</u>
	<u>38,299</u>	<u>31,223</u>
Net Assets		
Appropriated for funding deficiency (Note 5)	28,203	28,203
Unrestricted net assets	<u>58,514</u>	<u>28,235</u>
	<u>86,717</u>	<u>56,438</u>
	<u>\$ 125,016</u>	<u>\$ 87,661</u>

See accompanying notes

Approved on Behalf of the Board

_____ Director

_____ Director

SASKATCHEWAN ROWING ASSOCIATION INC.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2018
(with comparative figures for 2017)

	<u>Unrestricted</u>	<u>Appropriated</u>	<u>2018</u>	<u>2017</u>
Net Assets, beginning of year	\$ 28,235	28,203	\$ 56,438	\$ 57,815
Excess (deficiency) of revenues over expenses	<u>30,279</u>	<u>-</u>	<u>30,279</u>	<u>(1,377)</u>
Net Assets, end of year	<u>\$ 58,514</u>	<u>28,203</u>	<u>\$ 86,717</u>	<u>\$ 56,438</u>

See accompanying notes

SASKATCHEWAN ROWING ASSOCIATION INC.
STATEMENT OF OPERATIONS AND CUMULATIVE SURPLUS
FOR THE YEAR ENDED MARCH 31, 2018
(with comparative figures for 2017)

	2018	2017
Revenue		
Grants		
Saskatchewan Lotteries Trust Fund (Schedule 1)	\$ 220,576	\$ 241,554
Self Help revenue (Schedule 2)	30,293	27,800
National Sport Governing Body	1,246	5,300
Membership fees (Schedule 3)	<u>5,870</u>	<u>7,564</u>
	<u>257,985</u>	<u>282,218</u>
Expenditure		
Administration (Schedule 4)	42,271	39,714
Capacity/Interaction (Schedule 5)	9,836	21,769
Introduction/Participation (Schedule 6)	10,868	41,666
Excellence (Schedule 7)	159,933	169,646
Categorical grant expense (Schedule 8)	4,098	10,100
Rowing Canada Memberships	<u>700</u>	<u>700</u>
	<u>227,706</u>	<u>283,595</u>
Excess (deficiency) of revenues over expenses	<u>\$ 30,279</u>	<u>\$ (1,377)</u>

See accompanying notes

SASKATCHEWAN ROWING ASSOCIATION INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2018
(with comparative figures for 2017)

	2018	2017
Operating activities		
Excess (deficiency) of revenues over expenses	\$ 30,279	\$ (1,377)
Net change in non-cash operating working capital balances		
Accounts receivable	4,125	8,916
Prepaid items	685	1,742
Accounts payable	5,724	(13,461)
Deferred revenue	<u>1,352</u>	<u>1,285</u>
Cash provided by (used in) operating activities	<u>42,165</u>	<u>(2,895)</u>
Investing activities		
Invested in Sport Legacy Fund	<u>(1,351)</u>	<u>(1,285)</u>
Cash used in investing activities	<u>(1,351)</u>	<u>(1,285)</u>
Increase (decrease) in cash	40,814	(4,180)
Cash position, beginning of year	<u>55,008</u>	<u>59,188</u>
Cash position, end of year	<u>\$ 95,822</u>	<u>\$ 55,008</u>

See accompanying notes

SASKATCHEWAN ROWING ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2018

1. Status and nature of activities

Saskatchewan Rowing Association Inc. ("the Association") is a provincial sport governing body dedicated to the promotion of rowing for all and the development of competitive excellence. The Association is incorporated and is continued under The Non-Profit Corporations Act of Saskatchewan. The Association is exempt from income tax under Section 149 (1)(l) of the Income Tax Act.

2. Summary of significant accounting policies

The financial statements have been prepared in accordance with the Canadian accounting standards for not-for profit organizations. The most significant accounting policies followed include:

Capital assets

Capital assets are charged to operations in the year they are acquired.

Revenue Recognition

The Association 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 are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Financial instruments

Financial assets and financial liabilities are recorded on the statement of financial position when the Association becomes party to the contractual providing 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 the 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 expensed life of the instrument.

Fair value is an 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 measure at fair value are recognized in excess of revenue over expenses. When there is an indication of impairment the carrying amount of financial assets measured at amortized cost may be reduced. Such impairments can be subsequently reversed if the value improves.

Management estimates

Management makes 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. Actual results could differ from managements best estimates as additional information becomes available in the future. As adjustments become necessary, they are reported in income in the period in which they become known.

3. Economic dependence

Saskatchewan Rowing Association Inc. receives significant revenue in grants 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 current levels.

SASKATCHEWAN ROWING ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2018

4. Sport Legacy Fund

The funds on 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 by Sask Sport Inc. the Association is required to leave the original amount of donation in the Legacy Fund for a minimum 5 years.

5. Appropriated surplus

The Board of the Association has appropriated funds for future funding deficiencies. No transfers were made to or from appropriated funds in 2018. (2017- nil)

6. Financial instruments and risk management

Saskatchewan Rowing Association Inc. is exposed to various risks through its financial instruments. The financial risks the Association could be exposed to include; credit, currency, interest rate, liquidity and price risk. The Association is not subject to significant risk in any of these areas due to the short term nature of its financial instruments.

7. Comparative figures

The comparative figures were reported on by another accountant and certain figures have been reclassified to conform with current year's presentation.

SASKATCHEWAN ROWING ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018
 (with comparative figures for 2017)

	2018	2017
Saskatchewan Lotteries Trust Fund, Sports Division		Schedule 1
Annual funding	\$ 169,532	\$ 179,800
High Performance Coach Capacity	45,000	43,700
Future Best	-	6,000
Hosting Grant	1,944	7,954
Membership Assistance Program	4,100	4,100
	<u>\$ 220,576</u>	<u>\$ 241,554</u>
Self Help		Schedule 2
Award night ticket sales	\$ 2,694	\$ 1,845
Canada Games Fees	16,231	-
Clinics Camps and Competitions	5,865	24,702
Coaches Association of Canada grant	1,250	-
Federal employment grants	-	1,250
Fundraising and other	4,250	-
Interest	3	3
	<u>\$ 30,293</u>	<u>\$ 27,800</u>
Membership fees		Schedule 3
Clubs	\$ 400	\$ 400
Competitive	3,792	5,264
Sport	1,678	1,900
	<u>\$ 5,870</u>	<u>\$ 7,564</u>

SASKATCHEWAN ROWING ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018
(with comparative figures for 2017)

	2018	2017
Administration		
Audit	\$ 3,255	\$ 3,389
Insurance	740	573
Office administration	6,951	6,766
Salaries and benefits	31,325	28,986
	<u>\$ 42,271</u>	<u>\$ 39,714</u>
Capacity/Interaction		
Hosting	\$ 1,944	\$ 7,954
Marketing	50	-
Meetings		
AGM	80	568
Board and Committee	729	1,383
National	3,688	5,569
Membership affiliates	161	91
Newsletters	391	414
Planning	119	959
Professional development - Administration Staff	-	865
Volunteer and staff recognition	2,674	3,966
	<u>\$ 9,836</u>	<u>\$ 21,769</u>
Participation		
Coaching development	\$ 5,092	\$ 5,042
Competitions	1,376	1,600
Officials development	2,500	187
Participation programs	1,900	34,837
	<u>\$ 10,868</u>	<u>\$ 41,666</u>
Excellence		
Coaching development		
Administration	\$ 876	\$ -
Professional development	1,602	4,509
Salary and benefits	124,470	124,414
Travel & recruitment	2,207	-
Competitions	26,586	23,091
Talent identification	3,073	17,632
Training	1,119	-
	<u>\$ 159,933</u>	<u>\$ 169,646</u>
Categorical grant expense		
Future Best	\$ -	\$ 6,000
Membership Assistance Program		
Lloydminster Rowing Club	1,025	2,050
Prince Albert Rowing Club	795	2,050
Regina Rowing Club	1,139	2,050
Saskatoon Rowing Club	1,139	2,050
	<u>4,098</u>	<u>4,100</u>
	<u>\$ 4,098</u>	<u>\$ 10,100</u>