

SOUTH FRASER DISTRICT ASSOCIATION
Financial Statements
Year Ended March 31, 2022

SOUTH FRASER DISTRICT ASSOCIATION
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Year Ended March 31, 2022

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HWG, Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of South Fraser District Association

Report on the Financial Statements

Opinion

We have audited the financial statements of South Fraser District Association (the organization), which comprise the statement of financial position as at March 31, 2022, and the statements of changes in net assets, revenues and expenditures and 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 organization as at March 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

Basis for Opinion

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 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 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 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.

(continues)

A Partnership of Incorporated Professionals

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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.



Surrey, BC
June 17, 2022

CHARTERED PROFESSIONAL ACCOUNTANTS

SOUTH FRASER DISTRICT ASSOCIATION
Statement of Financial Position
March 31, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 174,879	\$ 94,479
Accounts receivable	<u>23,040</u>	<u>28,600</u>
	\$ 197,919	\$ 123,079
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 11,700	\$ 10,367
Deposits received	<u>6,000</u>	<u>10,000</u>
	17,700	20,367
GENERAL FUND	<u>180,219</u>	<u>102,712</u>
	\$ 197,919	\$ 123,079

APPROVED BY

Shaheem Ali *Director*

Bruce McCallum *Director*

See notes to financial statements

SOUTH FRASER DISTRICT ASSOCIATION
Statement of Changes in Net Assets
Year Ended March 31, 2022

	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 102,712	\$ 96,142
EXCESS OF REVENUE OVER EXPENSES	77,507	6,570
NET ASSETS - END OF YEAR	\$ 180,219	\$ 102,712

SOUTH FRASER DISTRICT ASSOCIATION
Statement of Revenues and Expenditures
Year Ended March 31, 2022

	2022	2021
REVENUE		
Direct membership fees	\$ 382,986	\$ 310,755
BC Soccer Pandemic Rebate and Miscellaneous revenue	<u>56,931</u>	<u>-</u>
	439,917	310,755
EXPENSES		
BCSA registration fees	282,616	213,094
District awards and scholarships	5,000	5,700
District medals and cup play	10,220	3,360
District registrar honorariums	35,837	46,857
League affiliation fees	20,500	22,535
League scheduler honorariums	-	4,000
Office	983	865
Professional fees	6,753	6,773
Web and communications	<u>501</u>	<u>1,001</u>
	362,410	304,185
EXCESS OF REVENUE OVER EXPENSES	\$ 77,507	\$ 6,570

SOUTH FRASER DISTRICT ASSOCIATION
Statement of Cash Flows
Year Ended March 31, 2022

	2022	2021
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 77,507	\$ 6,570
Changes in non-cash working capital:		
Accounts receivable	5,560	14,139
Prepaid expenses	-	5,668
Accounts payable and accrued liabilities	1,333	(26,123)
Deposits received	(4,000)	10,000
	2,893	3,684
INCREASE IN CASH FLOW	80,400	10,254
CASH - BEGINNING OF YEAR	94,479	84,225
CASH - END OF YEAR	\$ 174,879	\$ 94,479

SOUTH FRASER DISTRICT ASSOCIATION
Notes to Financial Statements
Year Ended March 31, 2022

PURPOSE OF THE ASSOCIATION

South Fraser District Association (the "Association") is incorporated under the Societies Act of British Columbia. The Association aims to foster, develop and administer the game of soccer in the South Fraser district.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Fund accounting

The Association follows the restricted fund method of accounting.

Revenues and expenses related to program delivery and administrative activities are reported in the General Fund.

Cash and cash equivalent

Cash and cash equivalents consist of cash and bank overdrafts.

Income taxes

The Association is a non-profit organization within the meaning of the Income Tax Act (Canada) and is exempt from federal and provincial income taxes.

Revenue recognition

The Association follows the restricted fund method of accounting for contributions.

Unrestricted contributions are recognized as revenue in the general fund when received. Restricted contributions are recognized as revenue when received in the specific fund they relate. Restricted funds for which there is no specific fund are recognized in the general fund using the deferral method.

Financial instruments

The Association's financial instruments consist of accounts receivable and accounts payable. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted, because of the immediate or short term maturity of these financial instruments.

SOUTH FRASER DISTRICT ASSOCIATION
Notes to Financial Statements
Year Ended March 31, 2022

2. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2022.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

3. ECONOMIC DEPENDENCE

The Association is dependent on the continued support of the soccer clubs operating under the jurisdiction of the district to carry out the mission of the Association.
