

Orangeville Minor Soccer Club Inc.

Financial Statements

Years ended September 30, 2013 and September 30, 2012

INDEPENDENT AUDITOR'S REPORT

To the Members of Orangeville Minor Soccer Club Inc.

I have audited the accompanying financial statements of Orangeville Minor Soccer Club Inc., which comprise the statements of financial position as at September 30, 2013, September 30, 2012 and October 1, 2011 and the statements of operations and operating fund and of cash flows for the years ended September 30, 2013 and September 30, 2012, 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 audits. I conducted my audits 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 from 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 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 presentation of the financial statements.

I believe that the audit evidence I have obtained in my audits 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 Orangeville Minor Soccer Club Inc. as at September 30, 2013, September 30, 2012 and October 1, 2011, and the results of its operations and its cash flows for the years ended September 30, 2013 and September 30, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.



Catherine M. Campbell
Chartered Accountant
Licensed Public Accountant

Orangeville, Ontario
December 10, 2013

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Orangeville Minor Soccer Club Inc.


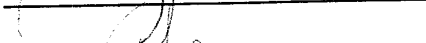
Statements of Financial Position

As at September 30, 2013, September 30, 2012 and October 1, 2011

	Sep 30 2013	Sep 30 2012	Oct 1 2011
		(Note 3)	(Note 3)
Assets			
Current assets			
Cash	107,283	179,170	82,525
Investments (Note 4)	85,594	-	104,240
Accounts receivable	3,906	7,050	4,717
Prepaid expenses	3,211	4,334	6,193
	<u>199,994</u>	<u>190,554</u>	<u>197,675</u>
Liabilities and Fund Balances			
Current liabilities			
Accounts payable and accrued liabilities	9,646	8,601	13,697
Deferred revenue (Note 5)	33,872	26,330	37,833
	<u>43,518</u>	<u>34,931</u>	<u>51,530</u>
Fund Balances			
Operating fund	<u>156,476</u>	<u>155,623</u>	<u>146,145</u>
	<u>199,994</u>	<u>190,554</u>	<u>197,675</u>

See accompanying notes to the financial statements

Approved on behalf of the board:

 _____ Director
 _____ Director

Orangeville Minor Soccer Club Inc.

Statements of Operations and Operating Fund

For the years ended September 30, 2013 and September 30, 2012

	2013 Actual	2013 Budget (Note 6)	2012 Actual (Note 3)
Revenue			
Registrations	304,695	310,000	310,511
Tournaments	16,500	29,000	33,750
Sponsorships	27,100	27,100	29,100
Interest and other income	3,564	-	3,219
	<u>351,859</u>	<u>366,100</u>	<u>376,580</u>
Expenses			
Administrator contract	17,826	18,750	19,265
Advertising	9,328	5,000	4,871
Association fees	21,613	26,000	23,137
Awards and presentations	10,106	8,000	21,769
Bank charges	225	750	171
Bad debts (recovered)	325	2,000	(2,573)
Equipment and supplies	5,464	5,000	3,209
Field development	-	8,000	-
Field maintenance	16,961	13,750	14,705
Field rental	85,315	86,500	83,244
Internet	4,682	5,000	4,050
Insurance and bonds	2,671	1,925	1,731
Office and general	4,786	4,575	5,380
On-line processing fees	5,982	4,250	6,050
Photography	3,551	7,350	6,500
Professional development	8,242	6,000	4,345
Professional fees	4,520	2,800	7,055
Referee fees	42,178	44,000	50,580
Rent and utilities	20,376	21,000	19,391
Special events	3,479	3,000	3,705
Telephone	956	1,000	956
Tournament expenses	2,799	1,500	4,127
Travel teams league registration fees and fines	5,478	6,950	5,893
Travel teams tournament entry fees	10,548	10,000	10,452
Uniforms	63,595	73,000	69,089
	<u>351,006</u>	<u>366,100</u>	<u>367,102</u>
Excess of revenue over expenses for the year	853	-	9,478
Operating fund - beginning of year	<u>155,623</u>	<u>155,623</u>	<u>146,145</u>
Operating fund - end of year	<u>156,476</u>	<u>155,623</u>	<u>155,623</u>

See accompanying notes to the financial statements

Orangeville Minor Soccer Club Inc.

Statements of Cash Flows

For the years ended September 30, 2013 and September 30, 2012

	<u>2013</u>	<u>2012</u>
		(Note 3)
Cash provided by (used in):		
Operating activities		
Excess of revenue over expenses	853	9,478
Net change in non-cash working capital balances related to operations:		
Accounts receivable	3,144	(2,333)
Prepaid expenses	1,123	1,859
Accounts payable and accrued liabilities	1,045	(5,096)
Deferred revenue	7,542	(11,503)
	<u>13,707</u>	<u>(7,595)</u>
Investing activities		
Decrease (increase) in investments	<u>(85,594)</u>	104,240
Increase (decrease) in cash for the year	(71,887)	96,645
Cash - beginning of year	<u>179,170</u>	<u>82,525</u>
Cash - end of year	<u>107,283</u>	<u>179,170</u>

See accompanying notes to the financial statements

Orangeville Minor Soccer Club Inc.

Notes to the financial statements

Years ended September 30, 2013 and September 30, 2012

1. Nature of operations

Orangeville Minor Soccer Club Inc. ("the Corporation") was incorporated without share capital on February 20, 1986 under the laws of the Province of Ontario and is governed by a board of directors. The purpose of the Corporation is to foster, develop and promote the discipline of soccer and to provide organized teams at both the recreational and the competitive level in Orangeville, Ontario. The Corporation is a member of the Ontario Soccer Association and the South West Regional Soccer Association.

For Canadian income tax purposes, the Corporation is considered a not-for-profit organization and is therefore exempt from income tax under the Income Tax Act.

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:

Fund accounting

The Corporation follows the deferral method of accounting for contributions.

The operating fund reports the revenue and expenses related to the operations of the Corporation. Article 15 of the Corporation's by-laws states that in the event of dissolution, the board of directors is authorized to distribute the remaining balance of the operating fund to one or more not-for-profit soccer related organizations or any not-for-profit athletic community organization, which operate solely in Ontario.

Revenue recognition

Revenue related to operations is recognized as revenue of the operating fund in the year in which the related expenses are incurred. Interest income is recognized as it is earned.

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires directors and management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from their best estimates as additional information becomes available in the future and adjustments, if any, are recorded as that information becomes known.

Contributed services

Directors and committee members volunteer their time to assist in the Corporation's activities. While these services benefit the Corporation considerably, a reasonable estimate of their amount and fair value cannot be made and accordingly, these contributed services are not recognized in the financial statements.

Orangeville Minor Soccer Club Inc.

Notes to the financial statements

Years ended September 30, 2013 and September 30, 2012

3. Adoption of Accounting Standards for Not-for-profit Organizations

Effective October 1, 2012, the Corporation adopted the requirements of the Canadian Institute of Chartered Accountants (CICA) Handbook - Accounting, electing to adopt the new accounting framework, Canadian Accounting Standards for Not-for-Profit Organizations (ASNFPFO). These are the Corporation's first financial statements prepared in accordance with ASNFPFO. The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended September 30, 2013, the comparative year ended September 30, 2012 and the opening ASNFPFO balance sheet at October 1, 2011 (the Corporation's date of transition).

The Corporation issued financial statements for the year ended September 30, 2012 using Canadian generally accepted accounting principles prescribed by the CICA Handbook. The adoption of ASNFPFO resulted in no adjustments to the previously reported assets, liabilities, fund balances, revenues, expenses and cash flows of the Corporation.

4. Investments

	<u>Sep 30 2013</u>	<u>Sep 30 2012</u>	<u>Oct 1 2011</u>
Cashable GIC, 1.45% annual interest rate, matured Sep 14, 2012	-	-	15,227
Cashable GIC, 0.85% annual interest rate, matured Sep 24, 2012	-	-	89,013
Cashable GIC, 0.80% annual interest rate, matures Nov 16, 2013	85,594	-	-
	85,594	-	104,240

5. Deferred revenue

Deferred revenue is comprised of the following registration fees and sponsorships received in the current year that relate to the indoor season which takes place during the next fiscal year.

	<u>Sep 30 2013</u>	<u>Sep 30 2012</u>	<u>Oct 1 2011</u>
Registration fees	30,072	22,730	34,233
Sponsorships	3,800	3,600	3,600
	33,872	26,330	37,833

6. Budget information

The 2013 budget amounts presented for comparative purposes in the Statement of Operations are unaudited and are those approved by the board of directors.

Orangeville Minor Soccer Club Inc.

Notes to the financial statements

Years ended September 30, 2013 and September 30, 2012

7. Related Party Transactions

No remuneration was paid to the directors of the Corporation during the year and they had no interest in any transactions of the Corporation.

Total fees of \$6,811 (2012 - \$6,065) were paid to a member of the Corporation's operating committee during the year for field maintenance services. These transactions were in the normal course of operations and were measured at the amount of consideration established and agreed to by the related parties.

8. Contractual obligations

The Corporation leases its office premises under a lease expiring on November 30, 2014. The combined minimum lease payments and TMI for fiscal 2014 are \$17,262.

The Corporation leases an indoor soccer field under a lease expiring on May 16, 2014. The minimum lease payments for fiscal 2014 are \$64,979.

9. Financial risks

The Corporation's financial instruments consist of cash, investments, accounts receivable, accounts payable and accrued liabilities. It is the opinion of the Board that the Corporation is not exposed to significant interest rate or credit risks arising from its financial instruments and that the fair value of its financial instruments approximate their carrying value.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations on a timely basis or at a reasonable cost. The Corporation manages its liquidity by monitoring its operating requirements. The Corporation prepares a budget to ensure that it has sufficient funds to meet its financial obligations.

Credit risk

The Corporation is exposed to credit risk in connection with its accounts receivable. The maximum exposure to credit risk is the carrying value of accounts receivable.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Corporation is exposed to interest rate risk on its investments.