

**Orangeville Minor Soccer Club Inc.**

**Financial Statements**

**Year ended September 30, 2014**

**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 statement of financial position as at September 30, 2014 and the statements of operations and operating fund and of 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 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 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, 2014 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.

*Catherine M Campbell*

Catherine M. Campbell  
Chartered Professional Accountant  
Licensed Public Accountant

Orangeville, Ontario  
December 2, 2014

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**Orangeville Minor Soccer Club Inc.**

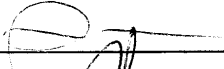
**Statement of Financial Position**


**As at September 30, 2014**

(with comparative amounts as at September 30, 2013)

	2014	2013
<b>Assets</b>		
<b>Current assets</b>		
Cash	151,566	107,283
Investments (Note 3)	86,534	85,594
Accounts receivable	1,153	3,906
Prepaid expenses	17,730	3,211
	<u>256,983</u>	<u>199,994</u>
<b>Liabilities and Fund Balances</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	11,176	9,646
Deferred revenue (Note 4)	53,288	33,872
	<u>64,464</u>	<u>43,518</u>
<b>Fund Balances</b>		
Operating fund	<u>192,519</u>	<u>156,476</u>
	<u>256,983</u>	<u>199,994</u>

Approved on behalf of the board:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

See accompanying notes to the financial statements

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**Orangeville Minor Soccer Club Inc.**

**Statement of Operations and Operating Fund**

**For the year ended September 30, 2014**

(with comparative amounts for the year ended September 30, 2013)

	2014 Actual	2014 Budget	2013 Actual
		(Note 5)	
<b>Revenue</b>			
Registrations	336,861	319,000	304,695
Tournaments	-	-	16,500
Sponsorships	22,900	20,200	27,100
Interest and other income	3,563	8,400	3,564
	<b>363,324</b>	<b>347,600</b>	<b>351,859</b>
<b>Expenses</b>			
Administrator contract	18,032	18,750	17,826
Advertising	5,763	5,000	9,328
Association fees	23,189	23,000	21,613
Awards and presentations	6,959	6,500	10,106
Bank charges	201	-	225
Bad debts	-	1,500	325
Equipment and supplies	5,936	8,650	5,464
Field maintenance	15,748	13,500	16,961
Field rental	73,005	83,500	85,315
Internet	3,916	5,000	4,682
Insurance and bonds	1,457	2,275	2,671
Office and general	3,469	4,075	4,786
On-line processing fees	7,173	6,000	5,982
Photography	3,971	5,850	3,551
Player development	2,595	-	-
Professional development	7,278	9,850	8,242
Professional fees	4,540	2,800	4,520
Referee fees	35,887	37,500	42,178
Rent and utilities	21,477	22,800	20,376
Special events	600	4,000	3,479
Technical director	-	4,750	-
Telephone	975	1,000	956
Tournament expenses	-	-	2,799
Travel teams league registration fees and fines	7,172	6,300	5,478
Travel teams allotments	7,311	7,000	10,548
Uniforms	70,627	68,000	63,595
	<b>327,281</b>	<b>347,600</b>	<b>351,006</b>
<b>Excess of revenue over expenses for the year</b>	<b>36,043</b>	<b>-</b>	<b>853</b>
<b>Operating fund - beginning of year</b>	<b>156,476</b>	<b>156,476</b>	<b>155,623</b>
<b>Operating fund - end of year</b>	<b>192,519</b>	<b>156,476</b>	<b>156,476</b>

See accompanying notes to the financial statements

**Orangeville Minor Soccer Club Inc.**

**Statement of Cash Flows**

**For the year ended September 30, 2014**

(with comparative amounts for the year ended September 30, 2013)

	<u>2014</u>	<u>2013</u>
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Excess of revenue over expenses	36,043	853
Net change in non-cash working capital balances related to operations:		
Accounts receivable	2,753	3,144
Prepaid expenses	(14,519)	1,123
Accounts payable and accrued liabilities	1,530	1,045
Deferred revenue	19,416	7,542
	<u>45,223</u>	<u>13,707</u>
<b>Investing activities</b>		
Decrease (increase) in investments	(940)	(85,594)
<b>Increase (decrease) in cash for the year</b>	<b>44,283</b>	<b>(71,887)</b>
<b>Cash - beginning of year</b>	<b>107,283</b>	<b>179,170</b>
<b>Cash - end of year</b>	<b>151,566</b>	<b>107,283</b>

See accompanying notes to the financial statements

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**Orangeville Minor Soccer Club Inc.**

**Notes to the financial statements**

**Year ended September 30, 2014**

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**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.

Financial instruments

The Corporation records its financial assets and financial liabilities at fair value when acquired. The Corporation subsequently measures its financial assets and financial liabilities at amortized cost. Transaction costs incurred on acquisition are charged to the financial instrument. At the end of each reporting period, financial instruments are assessed for impairment if there are indicators of impairment.

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**

**Year ended September 30, 2014**

**3. Investments**

	<u>2014</u>	<u>2013</u>
Cashable GIC, 0.80% annual interest rate, matured November 16, 2013	-	85,594
Cashable GIC, 0.80% annual interest rate, matures November 17, 2014	<b>34,515</b>	
Non-redeemable GIC, 1.35% annual interest rate, matures December 16, 2014	<b>52,019</b>	-
	<b>86,534</b>	<b>85,594</b>

**4. 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>2014</u>	<u>2013</u>
Registration fees	<b>50,688</b>	30,072
Sponsorships	<b>2,600</b>	3,800
	<b>53,288</b>	<b>33,872</b>

**5. Budget information**

The 2014 budget amounts presented for comparative purposes in the Statement of Operations are unaudited and are those approved by the board of directors.

**6. 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 \$7,985 (2013 - \$6,811) were paid to a member of the Corporation's operating committee during the year for field maintenance services. In addition, field paint in the total amount of \$21,660 (2013 - \$9,700) was purchased during the year in part from a business owned by the same member and in part from the member. 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.

**7. Contractual obligations**

The Corporation leases its office premises under a lease expiring on November 30, 2015. The combined minimum lease payments and TMI for fiscal 2015 are \$17,807.

The Corporation leases an indoor soccer field under a lease expiring on May 3, 2015. The minimum lease payments for fiscal 2015 are \$75,724.

**Orangeville Minor Soccer Club Inc.**

**Notes to the financial statements**

**Year ended September 30, 2014**

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**8. 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 annually 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.