

ORANGEVILLE MINOR SOCCER CLUB INC.

FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2011

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors 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, 2011 and the statements of operations and operating fund balance 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 generally accepted accounting principles, 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, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Other Matters

The financial statements of Orangeville Minor Soccer Club Inc. for the year ended September 30, 2010 were audited by another auditor who expressed an unmodified opinion on those statements on November 1, 2010.



Catherine M. Campbell
Chartered Accountant
Licensed Public Accountant

Orangeville, Ontario
October 18, 2011

ORANGEVILLE MINOR SOCCER CLUB INC.

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2011

(with comparative amounts as at September 30, 2010)

	2011	2010
Assets		
Current assets		
Cash	82,525	54,590
Investments (Note 3)	104,240	87,752
Accounts receivable	4,717	8,764
Prepaid expenses	6,193	13,631
	<u>197,675</u>	<u>164,737</u>
Liabilities and Fund Balances		
Current liabilities		
Accounts payable and accrued liabilities	13,697	1,587
Deferred revenue	37,833	40,635
	<u>51,530</u>	<u>42,222</u>
Fund Balances		
Operating fund	<u>146,145</u>	<u>122,515</u>
	<u>197,675</u>	<u>164,737</u>

See accompanying notes to financial statements

Approved on behalf of the board:

Director

Director

ORANGEVILLE MINOR SOCCER CLUB INC.

STATEMENT OF OPERATIONS AND OPERATING FUND BALANCE

FOR THE YEAR ENDED SEPTEMBER 30, 2011

(with comparative amounts for the year ended September 30, 2010)

	2011 Actual	2011 Budget (Note 5)	2010 Actual
Revenue			
Registrations	321,823	313,110	313,553
Field rental	29,047	26,000	24,550
Tournaments	-	29,200	25,100
Sponsorships	31,600	36,500	35,730
Interest and other income	4,088	3,500	1,785
	386,558	408,310	400,718
Expenses			
Administrator contract	16,515	21,195	12,251
Advertising	4,395	4,000	2,066
Association fees	27,951	28,253	31,916
Awards and presentations	11,059	17,573	23,713
Bank charges	576	1,000	811
Bad debts	7,847	2,500	4,112
Equipment and supplies	3,908	3,000	1,862
Field maintenance	14,512	15,000	12,726
Field rental	88,450	85,475	76,314
Internet	3,306	2,000	7,469
Insurance and bonds	2,116	2,000	1,755
Office and general	5,968	6,300	3,255
On-line processing fees	4,577	3,000	2,596
Photography	7,157	6,141	5,336
Professional development	5,185	6,500	2,946
Professional fees	3,970	3,000	2,928
Referee fees	39,358	57,700	47,102
Rent and utilities	18,349	19,688	15,865
Special events	5,041	4,000	4,991
Telephone	1,633	2,500	2,090
Tournament expenses	1,837	8,000	6,312
Travel teams league registration fees and fines	6,616	5,500	6,648
Travel teams tournament entry fees	9,338	13,500	8,248
Uniforms	73,264	70,072	79,364
	362,928	387,897	362,676
Excess of revenue over expenses for the year	23,630	20,413	38,042
Operating fund balance - beginning of year	122,515	122,515	84,473
Operating fund balance - end of year	146,145	142,928	122,515

See accompanying notes to financial statements

ORANGEVILLE MINOR SOCCER CLUB INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

(with comparative amounts for the year ended September 30, 2010)

	2011	2010
Cash provided by (used in):		
Operating activities		
Excess of revenue over expenses	23,630	38,042
Net change in non-cash working capital balances related to operations:		
Accounts receivable	4,047	3,709
Prepaid expenses	7,438	(5,507)
Accounts payable and accrued liabilities	12,110	(871)
Deferred revenue	(2,802)	(14,740)
	<u>44,423</u>	<u>20,633</u>
Investing activities		
Increase in investments	<u>(16,488)</u>	<u>(15,000)</u>
Increase in cash for the year	27,935	5,633
Cash - beginning of year	<u>54,590</u>	<u>48,957</u>
Cash - end of year	<u>82,525</u>	<u>54,590</u>

See accompanying notes to financial statements

ORANGEVILLE MINOR SOCCER CLUB INC.
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2011

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 generally accepted accounting principles 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 generally accepted accounting principles 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.

Future accounting changes

In December 2010, the CICA issued a new accounting framework applicable to not-for-profit organizations. Effective for fiscal years beginning on or after January 1, 2012, not-for-profit organizations will have to choose between International Financial Reporting Standards (IFRS) and Canadian accounting standards for not-for-profit organizations. Early adoption of these standards is permitted. The Corporation currently plans to adopt the Canadian accounting standards for not-for-profit organizations for its fiscal year beginning on October 1, 2012. The impact of transitioning to these new standards has not been determined at this time.

ORANGEVILLE MINOR SOCCER CLUB INC.
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED SEPTEMBER 30, 2011

3. Investments

	<u>2011</u>	<u>2010</u>
Cashable GIC, annual interest rate of 1.75%, matured September 24, 2011	-	62,749
Cashable GIC, annual interest rate of 1.75%, matured September 24, 2011	-	10,003
Cashable GIC, annual interest rate of 1.45%, matures September 14, 2012	15,227	15,000
Cashable GIC, annual interest rate of 0.85%, matures September 24, 2012	89,013	-
	<u>104,240</u>	<u>87,752</u>

GIC investments are valued at their quoted market value.

4. Related Party Transactions

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

5. Budget information

The 2011 budget amounts presented for comparative purposes in the Statement of Operations are unaudited and are those approved by the board of directors.

6. Financial Instruments

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

7. Comparative amounts

Certain comparative amounts have been reclassified to conform with the current year's presentation.