

SASKATCHEWAN ROWING ASSOCIATION INC.
FINANCIAL STATEMENTS
MARCH 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Saskatchewan Rowing Association Inc.

Opinion

I have audited the accompanying financial statements of Saskatchewan Rowing Association Inc., which comprise the statements of financial position as at March 31, 2021 and the statements of operations, net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Rowing Association Inc. as at March 31, 2021 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Entity in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 Entity'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 Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity 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.

I 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 I identify during my audit.

Regina, Saskatchewan
May 28, 2021



Marcia Herback
CPA, CA

SASKATCHEWAN ROWING ASSOCIATION INC.
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2021
(with comparative figures for 2020)

	2021	2020
ASSETS		
Current assets		
Cash and short-term deposits	\$ 55,082	\$ 98,399
Short-term investments	50,138	-
Accounts receivable	1,711	3,643
Prepaid expenses	<u>536</u>	<u>822</u>
	107,467	102,864
Long term assets		
Invested in Sport Legacy Fund (Note 4)	<u>34,564</u>	<u>32,885</u>
	<u>\$ 142,031</u>	<u>\$ 135,749</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 6,744	\$ 8,096
Government remittances payable	1,547	-
Deferred revenue	<u>4,000</u>	<u>-</u>
	12,291	8,096
Long-term liabilities		
Deferred Sport Legacy Fund (Note 4)	<u>34,564</u>	<u>32,885</u>
	<u>46,855</u>	<u>40,981</u>
Net Assets		
Appropriated for funding deficiency (Note 5)	28,203	28,203
Unrestricted net assets	<u>66,973</u>	<u>66,565</u>
	<u>95,176</u>	<u>94,768</u>
	<u>\$ 142,031</u>	<u>\$ 135,749</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, 2021
(with comparative figures for 2020)

	<u>Unrestricted</u>	<u>Appropriated</u>	<u>2021</u>	<u>2020</u>
Net Assets, beginning of year	\$ 66,565	28,203	\$ 94,768	\$ 102,848
Excess (deficiency) of revenues over expenses	<u>408</u>	<u>-</u>	<u>408</u>	<u>(8,080)</u>
Net Assets, end of year	<u>\$ 66,973</u>	<u>28,203</u>	<u>\$ 95,176</u>	<u>\$ 94,768</u>

See accompanying notes

SASKATCHEWAN ROWING ASSOCIATION INC.
STATEMENT OF OPERATIONS AND CUMULATIVE SURPLUS
FOR THE YEAR ENDED MARCH 31, 2021
(with comparative figures for 2020)

	2021	2020
Revenue		
Saskatchewan Lotteries Trust Fund (Schedule 1)	\$ 237,800	\$ 230,872
Self Help revenue (Schedule 2)	<u>60,308</u>	<u>45,493</u>
	<u>298,108</u>	<u>276,365</u>
Expenditure		
Administration (Schedule 3)	57,390	55,302
Capacity/Interaction (Schedule 4)	12,266	13,355
Participation (Schedule 5)	89,402	98,092
Excellence (Schedule 6)	85,146	103,924
Categorical grants (Schedule 7)	45,996	8,472
Membership Assistance Payments (Schedule 8)	<u>7,500</u>	<u>5,300</u>
	<u>297,700</u>	<u>284,445</u>
Excess (deficiency) of revenues over expenses	<u>\$ 408</u>	<u>\$ (8,080)</u>

See accompanying notes

SASKATCHEWAN ROWING ASSOCIATION INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2021
(with comparative figures for 2020)

	2021	2020
Operating activities		
Excess (deficiency) of revenues over expenses	\$ 408	\$ (8,080)
Net change in non-cash operating working capital balances		
Short-term investments	(50,138)	-
Accounts receivable	1,932	(2,543)
Prepaid expenses	286	17,278
Accounts payable	(1,352)	2,148
Government remittances payable	1,547	-
Deferred revenue	<u>4,000</u>	<u>(6,601)</u>
Cash provided by (used in) operating activities	<u>(43,317)</u>	<u>2,202</u>
Investing activities		
Invested in Sport Legacy Fund	(1,679)	(2,727)
Deferred Sport Legacy Fund	<u>1,679</u>	<u>2,727</u>
Cash provided by investing activities	<u>-</u>	<u>-</u>
Increase (decrease) in cash	(43,317)	2,202
Cash position, beginning of year	<u>98,399</u>	<u>96,197</u>
Cash position, end of year	<u>\$ 55,082</u>	<u>\$ 98,399</u>

See accompanying notes

SASKATCHEWAN ROWING ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

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, 2021

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 2021 (2020- 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. Significant event

On March 11, 2020, the World Health Organization declared a global pandemic for the COVID-19 virus. The Association is following health advisories and mandatory requirements from local, provincial and national health and government organizations. The future financial and operational impact on the Association, if any, is unknown at this time.

8. Comparative figures

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

SASKATCHEWAN ROWING ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021
(with comparative figures for 2020)

	2021	2020
Saskatchewan Lotteries Trust Fund, Sports Division		
		Schedule 1
Annual funding	\$ 175,900	\$ 175,900
High Performance Coach Capacity	48,900	47,800
Hosting Grant	-	1,872
Membership Assistance Program	7,500	5,300
Adaptive Sport Equipment	5,500	-
	<u>\$ 237,800</u>	<u>\$ 230,872</u>
Self Help		
		Schedule 2
Internal		
Competition and clinic fees	\$ 1,800	\$ 18,780
Membership fees		
Clubs	400	400
Competitive	-	1,776
Sport	4,560	4,360
External		
Fundraising	30	5,006
Interest	139	7
Other grants		
Future Best	4,500	6,600
Federal employment grants	3,438	4,097
Minister of Canadian Heritage Emergency Relief Funding	37,940	-
Rowing Canada grant	5,000	-
Sales and other	2,476	3,477
Sponsorships	25	990
	<u>\$ 60,308</u>	<u>\$ 45,493</u>

SASKATCHEWAN ROWING ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021
(with comparative figures for 2020)

	2021	2020
Administration		
	Schedule 3	
Audit	\$ 3,255	\$ 3,284
Insurance	1,247	2,159
Office operations	8,879	7,712
Salaries and benefits	44,009	41,987
Staff travel	-	160
	<u>\$ 57,390</u>	<u>\$ 55,302</u>
Capacity/Interaction		
	Schedule 4	
Awards and recognition	\$ -	\$ 6,611
Club assistance - capacity grants	10,134	-
Communications	447	568
Marketing and promotions	548	226
Meetings		
AGM	-	988
Board and Committee	209	676
National	-	2,298
Memberships	856	796
Planning and policy development	57	1,142
Professional and leadership development	15	50
	<u>\$ 12,266</u>	<u>\$ 13,355</u>
Participation		
	Schedule 5	
Athlete development		
Competition	\$ -	\$ 12,187
Introductory programs	16,882	23,364
Under-represented population initiatives	9,059	484
Coaching development		
Professional development	3,561	15,899
Salary and benefits	48,507	42,420
Coach travel	-	1,186
Officials development	11,393	2,552
	<u>\$ 89,402</u>	<u>\$ 98,092</u>
Excellence		
	Schedule 6	
Athlete development		
Competition	\$ 252	\$ 19,847
Talent identification	554	3,087
Training	10,730	258
Coaching development		
Professional development	-	51
Salary and benefits	73,565	79,628
Coach travel	45	1,053
	<u>\$ 85,146</u>	<u>\$ 103,924</u>

SASKATCHEWAN ROWING ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021
(with comparative figures for 2020)

	2021	2020
Categorical grant expense		
		Schedule 7
COVID Emergency Relief Expenses	\$ 41,496	\$ -
Future Best	4,500	6,600
Hosting grant	-	1,872
	<u>\$ 45,996</u>	<u>\$ 8,472</u>
Membership Assistance Payments		
		Schedule 8
Lloydminster Rowing Club	\$ 2,500	\$ 750
Prince Albert Rowing Club	-	1,516
Regina Rowing Club	2,500	1,517
Saskatoon Rowing Club	2,500	1,517
	<u>\$ 7,500</u>	<u>\$ 5,300</u>