

REGINASPORT DISTRICT INC.

FINANCIAL STATEMENTS

MARCH 31, 2016

MARCIA HERBACK
*Chartered Accountant
Professional Corporation*

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

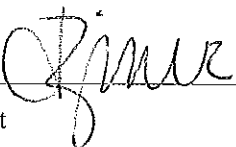
To the Members of
ReginaSport District Inc.

Management has responsibility for preparing the accompanying financial statements and ensuring that all information on any related reports is consistent with the financial statements. This responsibility includes selecting appropriate accounting policies and making objective judgements and estimates in accordance with Canadian accounting standards for not-for-profit organizations.

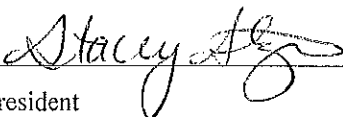
In discharging its responsibilities for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded, and proper records maintained.

Ultimate responsibility for financial statements to members lies with the Board of Directors.

Independent auditors appointed by the members audit the financial statements. The independent auditors report directly to the members and their report follows. The independent auditors have full and free access to the Board and management to discuss their audit findings as to the integrity of the organization's financial reporting and the adequacy of the system of internal controls.



President



Vice President

June 28, 2016
Regina, Saskatchewan

◆

INDEPENDENT AUDITOR'S REPORT

To the Members of
ReginaSport District Inc.

I have audited the accompanying financial statements of ReginaSport District Inc., which comprise the statement of financial position as at March 31, 2016 and the statement of operation and cumulative surplus and cash flow statement 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 of 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 and fair presentation 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 overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

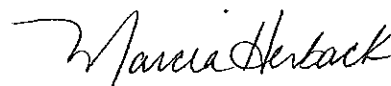
Basis for Qualified Opinion

In common with many non-profit organizations, ReginaSport District Inc. derives part of its revenue from the general public, the completeness and classification of which are not susceptible to satisfactory audit verification. Accordingly my verification of these transactions was limited to accounting for the amounts recorded in the records of the organization and I was not able to determine whether any adjustments might be necessary to the revenues, surplus for the year, assets and cumulative surplus.

Qualified Opinion

In my opinion, except for the effects, if any, of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of ReginaSport District Inc. as at March 31, 2016 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Regina, Saskatchewan
June 28, 2016

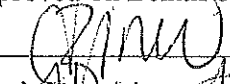
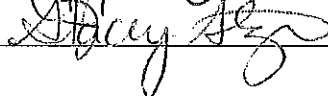

Marcia Herback
CPA, CA

REGINASPORT DISTRICT INC.
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2016
(with comparative figures for 2015)

	2016	2015
ASSETS		
Current assets		
Cash	\$ 94,500	\$ 119,087
Accounts receivable	36,478	3,187
Prepaid expenses	<u>25</u>	<u>-</u>
	<u>\$ 131,003</u>	<u>\$ 122,274</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	<u>\$ 2,703</u>	<u>\$ 3,191</u>
SURPLUS		
Appropriated Surplus	16,300	16,300
Unappropriated Surplus	<u>112,000</u>	<u>102,783</u>
	<u>128,300</u>	<u>119,083</u>
	<u>\$ 131,003</u>	<u>\$ 122,274</u>

See accompanying notes

Approved on Behalf of the Board

 Director
 Director

REGINASPORT DISTRICT INC.
STATEMENT OF OPERATIONS AND CUMULATIVE SURPLUS
FOR THE YEAR ENDED MARCH 31, 2016
(with comparative figures for 2015)

	2016	2015
Revenue		
Grants		
Saskatchewan Lotteries Trust Fund (Schedule 1)	\$ 109,500	\$ 145,588
Self Generated		
Aboriginal Community Sport Grant	3,980	3,980
Fundraising	19,440	11,450
Interest and miscellaneous income	32,414	74
National Coaching Certificate Program	5,645	6,087
Sponsorship	700	-
	<u>62,179</u>	<u>21,591</u>
	<u>171,679</u>	<u>167,179</u>
Expenditures		
Facilitation of Community Development (Schedule 2)	8,563	16,974
Coordination of District Network (Schedule 3)	17,726	32,664
District Organization Development & Admin (Schedule 4)	<u>136,173</u>	<u>135,143</u>
	<u>162,462</u>	<u>184,781</u>
Surplus (deficit) for the year	9,217	(17,602)
Cumulative surplus, beginning of year	<u>102,783</u>	<u>120,385</u>
Cumulative surplus, end of year	<u>\$ 112,000</u>	<u>\$ 102,783</u>

See accompanying notes

REGINASPORT DISTRICT INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2016
(with comparative figures for 2015)

	2016	2015
Operating activities		
Surplus (deficit) for the year	\$ 9,217	\$ (17,602)
Accounts receivable	(33,291)	(1,993)
Prepaid expenses	(25)	300
Accounts payable and accrued liabilities	(488)	30
Grant return payable	-	(2,513)
Cash used in operating activities	<u>(33,804)</u>	<u>(21,778)</u>
Decrease in cash	(24,587)	(21,778)
Cash position, beginning of year	<u>119,087</u>	<u>140,865</u>
Cash position, end of year	<u>\$ 94,500</u>	<u>\$ 119,087</u>

See accompanying notes

REGINASPORT DISTRICT INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2016

1. Status and nature of activities

ReginaSport District Inc. is incorporated under the Non-Profit Corporations Act of Saskatchewan. ReginaSport District Inc. exists to coordinate, encourage and facilitate sport development in Zone 2, the City of Regina. The organization is exempt from income tax as a non-profit organization.

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:

Tangible capital assets

The purchase of tangible capital assets are accounted for as an expense of the organization in the year of acquisition.

Course receipts and refunds

Receipts from participants in training courses are recorded as revenue at the time they are received. In addition, the organization accrues revenue for unpaid course fees in the period that the course is provided. Refunds of course fees are considered an expense at the time the refund is provided to the participant.

Revenue recognition

ReginaSport District Inc. follows the deferral method of accounting for contribution and grants. Grants from Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation are received out of the net proceeds of lottery sales in Saskatchewan. These grants have been recorded as revenue by ReginaSport District Inc. as approved by Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation for the year ended March 31, 2016. Accordingly, any amounts not received by year end are shown as grants receivables and any amounts relating to the next fiscal year are shown as deferred revenue.

Unrestricted contributions, fees and investment income are recognized in revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Financial instruments

The ReginaSport District Inc. initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost. Financial assets subsequently measured at amortized cost include cash and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable.

Management estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make 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. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

REGINASPORT DISTRICT INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2016

3. Financial instruments

ReginaSport District Inc. is exposed to various risks through its financial instruments. The following analysis provides a measure of the ReginaSport District Inc.'s exposure and concentrations at March 31, 2016:

Credit risk

Credit risk arises from the potential that a party may default on their financial obligations, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the Organization could incur a financial loss. The Organization is exposed to credit risk with respect to cash and accounts receivable. The Organization manages its credit risk by placing cash and investments with major financial institutions. Credit risk for accounts receivable is managed by the credit quality and diverse debtor base and creating an allowance for bad debts where applicable. There has been no change from credit risk exposure from 2015.

Liquidity risk

Liquidity risk is the risk that the Organization may not be able to meet a demand for cash or fund its obligations as they come due or not being able to liquidate assets in a timely manner at a reasonable price. The Organization is exposed to liquidity risk with respect to its accounts payable but manages its liquidity risk by holding assets that can be readily converted into cash. There has been no change from liquidity risk exposure from 2015.

Interest rate risk

Interest rate risk is a type of market risk that refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The Organization is exposed to interest rate risk with respect to its cash its effect on interest income. Fluctuations in interest rates do not have a significant effect on cash due to the fact that interest income is not a major percentage of total revenue. There has been no change from interest risk exposure from 2015.

4. Economic dependence

ReginaSport District Inc. currently receives significant revenue in grants from Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation. As a result, the organization is dependent upon the continuance of these grants to maintain operations at their current level.

5. Comparative figures

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

REGINASPORT DISTRICT INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016
(with comparative figures for 2015)

	2016	2015
Revenue		Schedule 1
Saskatchewan Lotteries Trust Fund		
Annual Funding	\$ 89,000	\$ 86,400
Dream Broker Grant	20,500	47,800
Youth Experience Program	-	11,388
	<u>\$ 109,500</u>	<u>\$ 145,588</u>
Expenditures		
	Facilitation of Community Development	Schedule 2
Programs and Services		
Coaching Development	\$ 5,781	\$ 5,580
Sport Science Program	-	6
Youth Experience Program	-	11,388
	<u>5,781</u>	<u>16,974</u>
Capacity Building		
Leadership Development	<u>2,782</u>	<u>-</u>
	<u>\$ 8,563</u>	<u>\$ 16,974</u>
	Coordination of District Network	Schedule 3
Communication		
Website	\$ -	\$ 882
Newsletter	<u>16,985</u>	<u>31,532</u>
	<u>16,985</u>	<u>\$ 32,413</u>
Partnership and Collaboration		
Membership	<u>116</u>	<u>251</u>
Advocacy		
Advertising	278	-
Promotions	<u>347</u>	<u>-</u>
	<u>625</u>	<u>-</u>
	<u>\$ 17,726</u>	<u>\$ 32,664</u>

REGINASPORT DISTRICT INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016
(with comparative figures for 2015)

	2016	2015
District Organizational Development & Administration		Schedule 4
Governance		
Annual general meeting	\$ 426	\$ 146
Board meetings	221	403
Board recognition	980	-
Board training/recruitment	337	700
	<u>1,964</u>	<u>1,249</u>
Planning		
Strategic planning	<u>281</u>	<u>-</u>
Staffing		
Salaries/benefits/payroll costs	71,958	72,021
Dream Broker Salary and Benefits	51,954	48,055
Recruitment & training	-	992
Travel	81	359
	<u>123,993</u>	<u>121,427</u>
Office operation		
Accounting and bank charges	720	927
Bad debts	408	-
Audit	2,150	2,150
Insurance	636	635
Non-profit fees	10	20
Office supplies	109	325
Postage	67	141
Printing and photocopying	277	257
Rent and storage	3,223	4,951
Telephone	2,335	2,303
	<u>9,935</u>	<u>11,709</u>
Other		
Miscellaneous	<u>-</u>	<u>758</u>
	<u>\$ 136,173</u>	<u>\$ 135,143</u>