

**KINGSTON WOMEN'S SOCCER CLUB  
FINANCIAL STATEMENTS  
AS AT AUGUST 31, 2013**

DRAFT

**KINGSTON WOMEN'S SOCCER CLUB  
TABLE OF CONTENTS  
AS AT AUGUST 31, 2013**

	<b><u>Page</u></b>
<b>INDEPENDENT AUDITORS' REPORT</b>	1
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Revenue and Expenditures	4
Statement of Cash Flows	5
Notes to Financial Statements	6-9

## INDEPENDENT AUDITORS' REPORT

To the Members of  
Kingston Women's Soccer Club

### Report on the Financial Statements

We have audited the accompanying financial statements of Kingston Women's Soccer Club, which comprise the statement of financial position as at August 31, 2013, August 31, 2012 and September 1, 2011 and the statements of changes in net assets, revenue and expenditures and cash flows for the years ended August 31, 2013 and August 31, 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

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Kingston Women's Soccer Club as at August 31, 2013, August 31, 2012 and September 01, 2011 the results of its operations and its cash flows for the years ended August 31, 2013 and August 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

KINGSTON, Canada  
November XX, 2013

Chartered Accountants  
Licensed Public Accountants

**KINGSTON WOMEN'S SOCCER CLUB**  
**STATEMENT OF FINANCIAL POSITION AS AT AUGUST 31, 2013**

	August 31 2013	August 31 2012	September 1 2011
Unrestricted Fund	Internally Restricted Fund	Total	Total Total
\$	\$	\$	\$
<b>ASSETS</b>			
<b>CURRENT</b>			
Cash	31,081	31,081	155,753
Investments - Note 4		127,892	147,338
Accounts receivable			537
Prepaid expenses	12,474	12,474	474
	<b>43,555</b>	<b>127,892</b>	<b>171,447</b>
			156,764
			149,844
<b>LIABILITIES</b>			
<b>CURRENT</b>			
Accounts payable and accrued liabilities	7,163	7,163	6,923
Government remittances payable	7,699	7,699	17,592
Deferred revenue			75
Due to (from) other funds	20,169	(20,169)	
	<b>35,031</b>	<b>(20,169)</b>	<b>14,862</b>
			14,490
			37,683
<b>NET ASSETS</b>			
<b>UNRESTRICTED</b>	<b>8,524</b>	<b>8,524</b>	1,403
<b>INTERNALLY RESTRICTED</b> - Note 5	<b>148,061</b>	<b>148,061</b>	106,169
	<b>8,524</b>	<b>148,061</b>	<b>156,585</b>
			142,274
			112,161
<b>APPROVED ON BEHALF OF THE BOARD</b>			
_____	Director		
_____	Director		
	<b>43,555</b>	<b>127,892</b>	<b>171,447</b>
			156,764
			149,844

The accompanying notes form an integral part of these financial statements  
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**KINGSTON WOMEN'S SOCCER CLUB  
STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED AUGUST 31, 2013**

	Unrestricted Fund	2013 Internally Restricted Fund	Total	2012 Total (Note 2)
	\$	\$	\$	\$
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>1,403</b>	<b>140,871</b>	<b>142,274</b>	112,161
<b>EXCESS OF REVENUE OVER EXPENDITURES FOR YEAR</b>	<b>7,121</b>	<b>7,190</b>	<b>14,311</b>	30,113
<b>NET ASSETS - END OF YEAR</b>	<b>8,524</b>	<b>148,061</b>	<b>156,585</b>	142,274

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**KINGSTON WOMEN'S SOCCER CLUB  
STATEMENT OF REVENUE AND EXPENDITURES  
FOR THE YEAR ENDED AUGUST 31, 2013**

	Unrestricted Fund	2013 Internally Restricted Fund	Total	2012 Total (Note 2)
	\$	\$	\$	\$
<b>REVENUE</b>				
Registration fees	87,223	5,870	93,093	77,969
Interest	236	1,320	1,556	2,140
	<b>87,459</b>	<b>7,190</b>	<b>94,649</b>	<b>80,109</b>
<b>EXPENDITURES</b>				
Referee fees	20,623		20,623	10,034
Registration fees and player insurance	18,744		18,744	18,215
Professional fees	3,000		3,000	3,000
Field expense	27,232		27,232	13,174
Prize winnings	2,258		2,258	1,256
Insurance - directors and officers	756		756	696
Office and miscellaneous	1,308		1,308	440
Interest and bank charges	1,542		1,542	931
Website	4,875		4,875	2,250
	<b>80,338</b>		<b>80,338</b>	<b>49,996</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES FOR YEAR</b>				
	<b>7,121</b>	<b>7,190</b>	<b>14,311</b>	<b>30,113</b>

The accompanying notes form an integral part of these financial statements  
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**KINGSTON WOMEN'S SOCCER CLUB  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED AUGUST 31, 2013**

	2013	2012 (Note 2)
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures for year	14,311	30,113
Net change in non-cash working capital balances related to operations - Note 6	(11,091)	(21,698)
<b>CASH FLOWS PROVIDED FROM OPERATING ACTIVITIES</b>	<b>3,220</b>	<b>8,415</b>
<b>INVESTING AND FINANCING ACTIVITIES</b>		
Purchase of investments	(127,892)	
<b>CASH FLOWS PROVIDED FROM (USED IN) INVESTING AND FINANCING ACTIVITIES</b>	<b>(127,892)</b>	
<b>INCREASE (DECREASE) IN CASH AND EQUIVALENTS FOR YEAR</b>	<b>(124,672)</b>	<b>8,415</b>
<b>CASH AND EQUIVALENTS - BEGINNING OF YEAR</b>	<b>155,753</b>	<b>147,338</b>
<b>CASH AND EQUIVALENTS - END OF YEAR</b>	<b>31,081</b>	<b>155,753</b>
<b>REPRESENTED BY:</b>		
Cash - unrestricted	31,081	47,883
Cash - internally restricted		107,870
	<b>31,081</b>	<b>155,753</b>

**KINGSTON WOMEN'S SOCCER CLUB  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2013**

**1. NATURE OF OPERATION**

The Kingston Women's Soccer Club is incorporated without share capital under the *Ontario Business Corporations Act*. Its principal activities are to foster, develop and promote the game of soccer in Kingston, Ontario and the surrounding area.

**2. ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS**

Effective September 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 (Part III). These are the corporation's first financial statements prepared in accordance with Part III and the transitional provisions of Section 1501, First-time Adoption have been applied. Section 1501 requires retrospective application of the accounting standards with certain elective exemptions and limited retrospective exceptions. The accounting standards set out in the significant accounting policy note have been applied in preparing the financial statements for the year ended August 31, 2013, the comparative information for the year ended August 31, 2012 and the opening Part III statement of financial position at September 1, 2011 (the corporation's date of transition).

The corporation issued financial statements for the year ended August 31, 2013 using generally accepted accounting principles prescribed by the CICA Handbook - Part V. The adoption of Canadian Accounting Standards for Not-For-Profit Organizations resulted in the reclassification of government remittances payable previously included in accounts payable and accrued liabilities. There were no other adjustments to the previously reported assets, liabilities, net assets, excess of revenues over expenditures and cash flows of the corporation.

**3. ACCOUNTING POLICIES**

Outlined below are those accounting policies adopted by the corporation considered to be particularly significant:

**(a) Basis of Accounting**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

**(b) Accounting Estimates**

The preparation of 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include valuation of accounts receivable. Actual results could differ from those estimates.



**KINGSTON WOMEN'S SOCCER CLUB  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2013**

**3. ACCOUNTING POLICIES (Cont'd)**

**(c) Fund Accounting**

The accompanying financial statements include the activities of the corporation for which the Board of Directors is legally accountable. In order to properly reflect its activities, the corporation maintains its accounts in accordance with the principals of "fund accounting" in order that limitations and restrictions placed on the use of available resources are observed. Under fund accounting, resources for various purposes are classified for accounting and reporting into funds in accordance with activities or objectives specified.

The Unrestricted Fund accounts for the cost of operations of providing soccer leagues and tournaments to participating players, financed by registration fees from participating teams.

The Internally Restricted Fund accounts for the corporation's campaign to increase the availability of soccer fields in the Kingston area through a fixed assessment levied on participating teams in the Club's leagues and tournaments.

**(d) Investments**

Investments are recorded at market value.

**(e) Revenue Recognition**

Fees are recorded as revenue in the period to which the services relate. Interest and other income are recorded as revenue when earned.

**(f) Cash and Equivalents**

Cash and equivalents consist of cash on deposit.

**KINGSTON WOMEN'S SOCCER CLUB  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2013**

**4. INVESTMENTS**

The investment consists of a GIC with Kingston Community Credit Union, bearing interest at 0.75% and maturing September 1, 2013.

**5. INTERNALLY RESTRICTED FUND**

The Kingston Women's Soccer Club Board of Directors internally restricted amounts to be used for field development. The balance held for this purpose at August 31, 2013 was \$148,061 (2012 - \$140,871).

**6. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS**

Cash provided from (used in) non-cash working capital is compiled as follows:

	2013 \$	2012 \$
<b>(INCREASE) DECREASE IN CURRENT ASSETS</b>		
Accounts receivable	537	1,555
Prepaid expenses	(12,000)	(60)
	<b>(11,463)</b>	<b>1,495</b>
<b>INCREASE (DECREASE) IN CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	240	(13,093)
Government remittances payable	132	(10,025)
Deferred revenue		(75)
	<b>372</b>	<b>(23,193)</b>
<b>NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS</b>	<b>(11,091)</b>	<b>(21,698)</b>

**KINGSTON WOMEN'S SOCCER CLUB  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2013**

**7. FINANCIAL INSTRUMENTS**

The fair value of the corporation's cash, assessments receivable and accounts payable and accrued liabilities approximate their carrying amounts due to the immediate and short term nature of these financial instruments.

The corporation has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. There have been no significant changes from the previous period in the exposure to risk or policies, procedures and methods used to measure the risk. The risks that arise from transacting financial instruments are as follows:

**(a) Liquidity Risk:**

Liquidity risk is the risk that the corporation will not be able to meet all cash outflow obligations as they come due. The corporation's exposure to liquidity risk is dependent on the receipt of funds from its operations.

**(b) Credit Risk:**

Credit risk is the risk of financial loss to the corporation if a debtor fails to make payments when due. The corporation is exposed to this risk, however it has practices in place to ensure collectibility of outstanding accounts receivable.

**8. CAPITAL DISCLOSURE**

The corporation's objectives with respect to capital management are to maintain a minimum capital base that allows the corporation to continue with and execute its overall purpose as outlined in Note 1. The corporation's Board of Directors performs periodic reviews of the corporation's capital needs to ensure they remain consistent with the risk tolerance that is acceptable to the corporation.