

**FINANCIAL  
STATEMENTS**

**Saskatchewan WTF Tae Kwon Do  
Association Inc.**

**Year Ended March 31, 2014**

**Saskatchewan WTF Tae Kwon Do Association Inc.**

Yorkton, Saskatchewan

March 31, 2014

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## Independent Auditors' Report

To the board of directors  
Saskatchewan WTF Tae Kwon Do Association Inc.

### *Report on the Financial Statements*

We have audited the accompanying financial statements of Saskatchewan WTF Tae Kwon Do Association Inc., which comprise the Statement of Financial Position as at March 31, 2014, and the Statements of Operations, Changes in Net Assets and 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.

### *Auditors' 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 auditors' 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 Saskatchewan WTF Tae Kwon Do Association Inc. as at March 31, 2014, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**Collins Barrow PQ LLP**

Yorkton, SK  
May 7, 2014

**Per:**

**Saskatchewan WTF Tae Kwon Do Association Inc.**

Yorkton, Saskatchewan

Statement of Financial Position as at March 31, 2014

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	2014	2013
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	53,138	58,780
Accounts receivable	125	500
Inventories	<u>8,100</u>	<u>2,662</u>
	<u>\$ 61,363</u>	<u>\$ 61,942</u>
<b>Net Assets</b>		
<b>Current Liabilities</b>		
Deferred revenue		207
<b>Net Assets</b>		
Unrestricted net assets	<u>61,363</u>	<u>61,735</u>
	<u>\$ 61,363</u>	<u>\$ 61,942</u>

Approved on behalf of the board:

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**Saskatchewan WTF Tae Kwon Do Association Inc.**

Statement of Changes in Net Assets  
For the year ended March 31, 2014

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	<b>2014</b>	<b>2013</b>
Balance, beginning of year	61,735	53,118
Add: Excess (deficiency) of revenue over expenses for the year	<u>( 372)</u>	<u>8,617</u>
Balance, end of year	<u>\$ 61,363</u>	<u>\$ 61,735</u>

*The notes to financial statements are an integral  
part of these financial statements.*

## Saskatchewan WTF Tae Kwon Do Association Inc.

Statement of Operations  
For the year ended March 31, 2014

	2014	2013
<b>Revenue</b>		
Saskatchewan Lotteries Trust Fund, Sport Division - Annual Funding	39,535	43,173
Saskatchewan Lotteries Trust Fund, Sport Division - Member Assistance Program	25,973	29,530
Membership fees	24,125	27,250
Playdown/tournament fees	5,740	8,942
Fundraising	366	16
Officials' seminars		250
Sales of medals	1,235	1,015
Interest	351	233
	<u>97,325</u>	<u>110,409</u>
<b>Expenses - page 8-9</b>		
Administration	19,567	24,436
Capacity/Interaction	8,321	11,654
Participation	14,658	14,580
Sask. First	29,176	21,594
Member assistance program	25,975	29,528
	<u>97,697</u>	<u>101,792</u>
<b>Excess (Deficiency) of Revenue Over Expenses for the Year</b>	<u><u>\$ ( 372)</u></u>	<u><u>\$ 8,617</u></u>

*The notes to financial statements are an integral part of these financial statements.*

## Saskatchewan WTF Tae Kwon Do Association Inc.

Statement of Cash Flows  
For the year ended March 31, 2014

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	2014	2013
<b>Cash Provided By (Used In):</b>		
Operations		
Excess (deficiency) of revenue over expenses for the year	( 372)	8,617
Net change in working capital	<u>( 5,270)</u>	<u>3,192</u>
<b>Net Cash Increase (Decrease) for the Year</b>	( 5,642)	11,809
Cash position, beginning of year	<u>58,780</u>	<u>46,971</u>
<b>Cash Position, End of Year</b>	<u>\$ 53,138</u>	<u>\$ 58,780</u>
<b>Represented By:</b>		
Cash and cash equivalents	<u>\$ 53,138</u>	<u>\$ 58,780</u>

*The notes to financial statements are an integral  
part of these financial statements.*

# Saskatchewan WTF Tae Kwon Do Association Inc.

Notes to Financial Statements  
For the year ended March 31, 2014

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## 1. Nature of Operations

The organization was incorporated under the Non-Profit Corporations Act of Saskatchewan. The Saskatchewan WTF Tae Kwon Do Association Inc. promotes and trains the art and philosophy of the World Tae Kwon Do Federation and promotes and trains Saskatchewan athletes to represent Saskatchewan in national and international competitions. The organization, as a registered charity, is not subject to income tax.

## 2. Significant Accounting Policies

These financial statements are the responsibility of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) using the accounting policies as summarized below:

### (a) Cash and cash equivalents

Cash and cash equivalents represents cash on hand and cash held in banks, net of bank overdrafts. Highly liquid investments with maturities of one month or less at the date of purchase are considered to be cash equivalents.

### (b) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined on an average cost basis. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable selling costs.

### (c) Revenue

Grants from Saskatchewan Lotteries Trust Fund for Sport, Culture, and Recreation are received out of the net proceeds of lottery ticket sales in Saskatchewan. These grants have been recorded as revenue by Saskatchewan WTF Taekwondo Association Inc. as approved by Saskatchewan Lotteries Trust Fund for Sport, Culture, and Recreation for the year ending March 31, 2014. Accordingly, any amounts not received by year end are shown as grant receivable and any amounts received relating to the next fiscal period are shown as deferred grant 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.

Restricted contributions are recognized in revenue in the year in which the related expenses are incurred.

### (d) Contributed services

Volunteers contribute an indeterminable number of hours to assist the Organization in carrying out its activities. The value of this contribution is not recognized in these financial statements.

## 3. Financial Instruments

The Organization has a risk management framework to monitor, evaluate, and manage the principal risks assumed with financial instruments. The financial instruments of the Organization include cash, accounts receivable, grants receivable, investments, accounts payable, and grant returns payable. The significant risks to which the Organization is exposed are:



(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's credit risk exposure on accounts receivable is minimized because receivables are from a variety of individuals and organizations.

(b) Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization's exposure to liquidity risk is dependent on the receipt of funds from members and activities of the Organization and grants from the Saskatchewan Lotteries Trust Fund. Funds from these sources are used to finance operations and are considered adequate to meet the Organization's financial obligations.

4. **Economic Dependence**

Saskatchewan WTF Taekwondo Association 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.

## Saskatchewan WTF Tae Kwon Do Association Inc.

Schedules to Financial Statements  
For the year ended March 31, 2014

	2014	2013
<b>1. Administration Expenses</b>		
Insurance	3,290	3,312
Meetings	3,845	6,837
Memberships	178	53
Office	3,659	2,024
Other	500	500
Professional fees	1,762	6,756
Purchases for resale	1,783	1,005
Wages and benefits	4,550	3,949
	<b>\$ 19,567</b>	<b>\$ 24,436</b>
<b>2. Capacity/Interaction Expenses</b>		
Communications	1,155	1,639
Provincial tournament	6,554	9,399
Volunteer and staff recognition	612	616
	<b>\$ 8,321</b>	<b>\$ 11,654</b>
<b>3. Participation Expenses</b>		
Coach development	160	1,465
Competitions	9,000	6,690
Officials' development	1,600	2,500
Target group initiatives	3,898	3,925
	<b>\$ 14,658</b>	<b>\$ 14,580</b>
<b>4. Sask. First Expenses</b>		
Sask Elite HP Program - Athlete Assistance	2,100	1,450
Sask Elite HP Program - Coaching	3,741	3,834
Sask Elite HP Program - Competition	13,952	12,720
NCCP - R&D Workshop	4,500	150
Officials' development	4,883	3,300
Sask Elite HP Program - Training		140
	<b>\$ 29,176</b>	<b>\$ 21,594</b>
<b>5. Member Assistance Program Expenses</b>		
Kees - Saskatoon Main - Saskatoon WTF Taekwondo Association	3,594	5,695
Kees - Melfort - Melfort WTF Taekwondo Association	1,797	1,231
Kees - North Battleford & St. Walburg - TKD Challenge of Champions.	4,389	4,866
Kees - Yorkton - Yorkton Taekwondo Association	5,866	6,744
Kees - Parkland - Yorkton Taekwondo Association	228	190
Kees - Prince Albert - Prince Albert WTF Taekwondo Association	593	432
Kims - College Regina Main - Kims Challenge	2,951	4,017
Kims - East Zone Regina - East Zone TDK 3	2,472	2,890
Kims - Kipling - Moose Mountain WTF Tae Kwon Do Association	1,435	1,075
Kims - Moose Jaw - 15 Wing - 15 Wing Taekwondo Academy/Moose Jaw Branch	674	922
Kims - Moose Jaw - YMCA - Moose Jaw YMCA TaeKwonDo	1,299	1,466
Shaunavon Taekwondo - Shaunavon Taekwondo Association	677	

*The notes to financial statements are an integral part of these financial statements.*

\$ 25,975

\$ 29,528