

Sport Medicine and Science Council of Saskatchewan Inc.

Audited Financial Statements

For the Year Ended December 31, 2021

Sport Medicine and Science Council of Saskatchewan Inc.

For the Year Ended December 31, 2021

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Independent Auditors' Report

To the Board of Directors
Sport Medicine and Science Council of Saskatchewan Inc.

Opinion

We have audited the financial statements of Sport Medicine and Science Council of Saskatchewan Inc., which comprise the statement of financial position as at December 31, 2021, and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

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

Our 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 our 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Priority Accounting Services CPA Prof. Corp.

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Independent Auditors' Report

- 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 our 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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.

We 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 we identify during our audit.

Priority Accountants CPA

Priority Accounting Services CPA P.C.

2144 Cornwall Street
Regina, SK, S4P 2K7
March 07, 2022

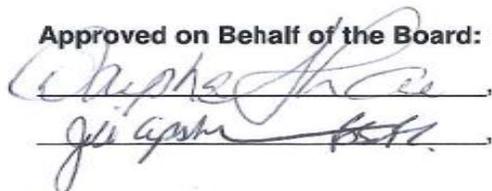
Sport Medicine and Science Council of Saskatchewan Inc.

Statement of Financial Position

As At December 31, 2021

	Note	2021	2020
Assets			
Current Assets			
Cash		\$ 46,818	\$ 30,122
Accounts receivable		48,771	51,888
Prepaid expenses		586	480
Inventory	3.	17,382	19,223
Investments	4.	1,173,281	1,110,734
Total Current Assets		1,286,838	1,212,447
Invested in Sport Legacy Fund	6.	16,188	15,401
Property and equipment	5.	2,462	3,517
Total Assets		\$ 1,305,488	\$ 1,231,365
Liabilities and Net Assets			
Current Liabilities			
Accounts payable and accrued liabilities		\$ 7,039	\$ 5,786
Deferred grants		330,078	325,580
Total Current Liabilities		337,117	331,366
Deferred revenue - Sport Legacy Fund	6.	16,188	15,401
Total Liabilities		353,305	346,767
Net assets			
Unrestricted net assets		949,721	881,081
Invested in property and equipment	5.	2,462	3,517
Total Net Assets		952,183	884,598
Total Liabilities and Net Assets		\$ 1,305,488	\$ 1,231,365

Approved on Behalf of the Board:



The accompanying notes are an integral part of these financial statements.

Sport Medicine and Science Council of Saskatchewan Inc.

Statement of Operations

For the Year Ended December 31, 2021

	2021	2020
Revenue		
Sask Lotteries Trust Fund for Sport Culture and Recreation Annual Funding	\$ 634,800	\$ 620,500
Self-help revenue (<i>Schedule 1</i>)	356,207	296,024
Total revenue	991,007	916,524
Expenses		
Administration (<i>Schedule 2</i>)	370,349	314,710
Capacity and Interaction (<i>Schedule 3</i>)	2,478	6,501
Programs and Services (<i>Schedule 4</i>)	550,595	523,634
Total expenses	923,422	844,845
Excess of revenue over expenses	\$ 67,585	\$ 71,679

The accompanying notes are an integral part of these financial statements.

Sport Medicine and Science Council of Saskatchewan Inc.

Statement of Changes in Net Assets

For the Year Ended December 31, 2021

	Invested in Property and Equipment	Unrestricted Surplus	2021	2020
Net Assets, beginning of year	\$ 3,517	\$ 881,081	\$ 884,598	\$ 812,919
Excess of revenue over expenses	-	67,585	67,585	71,679
Depreciation	(1,055)	1,055	-	-
Net Assets, end of year	\$ 2,462	\$ 949,721	\$ 952,183	\$ 884,598

The accompanying notes are an integral part of these financial statements.

Sport Medicine and Science Council of Saskatchewan Inc.

Statement of Cash Flows

For the Year Ended December 31, 2021

	2021	2020
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES:		
Excess of revenue over expenses	\$ 67,585	\$ 71,679
Items not affected by cash:		
Depreciation	1,055	1,082
Changes in working capital:		
Accounts receivable	3,117	(7,196)
Prepaid expenses	(106)	(37)
Inventory	1,841	(818)
Accounts payable and accrued liabilities	1,253	(842)
Deferred grants	4,498	11,169
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	79,243	75,037
CASH FLOWS FROM (USED BY) INVESTING ACTIVITIES:		
Purchase of investments	(2,006,564)	(2,121,177)
Proceeds from sale of investments	1,944,017	1,999,747
NET CASH USED BY INVESTING ACTIVITIES	(62,547)	(121,430)
Cash and cash equivalents at beginning of period	30,122	76,515
Cash and cash equivalents at end of period	\$ 46,818	\$ 30,122
Cash and cash equivalents consist of the following:		
Cash	\$ 46,818	\$ 30,122

The accompanying notes are an integral part of these financial statements.

Sport Medicine and Science Council of Saskatchewan Inc.

Notes to the Financial Statements

For the Year Ended December 31, 2021

1. Nature of council

Sport Medicine and Science Council of Saskatchewan Inc. (the "council") is incorporated under the *Non-Profit Corporations Act, 1995 of Saskatchewan* and is exempt from income taxes under *Section 149 (1) (l) of the Income Tax Act, Canada*.

The council's purpose is to deliver high quality, evidence-based sport science and sport medicine programs and services in the targeted areas of strength and conditioning, sport biomechanics, exercise physiology, mental performance, sport nutrition, sport medicine (injury care, prevention and rehabilitation), and drug and supplement education to all athletes and coaches throughout Saskatchewan.

2. Significant Accounting Policies

Basis of Presentation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) applied within the framework of accounting policies summarized below.

a. Revenue recognition

The council follows the deferral method of accounting for contribution. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets in the year.

Grants from Sask 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 the council and approved by Saskatchewan Lotteries Trust Fund for Sport, Culture, and Recreation for the year ended December 31, 2021. Accordingly, grants received for specific programs which are not expensed during the year are recorded as deferred revenue.

Investment income is recognized in the year earned.

b. Cash and cash equivalents

Cash and cash equivalents includes short-term investments and highly liquid investments in money market instruments which are carried at the lower of cost and market value with a maturity date of three months or less from the acquisition date. These are valued at cost which approximates market value.

c. Investments

Investments are recorded at the lower of cost or market. The market value of marketable securities held at December 31, 2021 was \$ 1,173,281 (2020 - \$ 1,110,734). The council has elected to classify short and long term investments with a stated maturity date and rate of return as Held to Maturity and have classified them as such because the council has the positive intent and ability to hold the securities until maturity.

Sport Medicine and Science Council of Saskatchewan Inc.

Notes to the Financial Statements

For the Year Ended December 31, 2021

2. Significant Accounting Policies

d. Property, plant and equipment

Property, plant and equipment is carried at cost for purchases over \$1,000. Depreciation is calculated using the straight-line method over the estimated useful lives as follows for the major classes of assets: Depreciation expense for December 31, 2021 was \$ 1,055 (2020 - \$ 1,082).

Asset	Useful life
Computer equipment	3 years
Computer software	2 years
Medical equipment	10 years
Office equipment	10 years

e. Impairment of long lived assets

In the event that facts and circumstances indicate that the council's long-lived assets may be impaired, an evaluation of recoverability would be performed. Such an evaluation entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write down to market value or discounted cash flow value is required. The council considers that no circumstances exist that would require such an evaluation.

f. Financial instruments

The council has determined that the estimated fair value of the financial assets and liabilities do not differ considerably from their book value.

i. Not subject to interest, currency or credit risk

Unless otherwise noted, it is management's opinion that the council is not exposed to significant interest rate, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values.

ii. Fair values approximate carrying values unless otherwise disclosed

The fair values of financial instruments approximate their carrying values except as otherwise disclosed in these financial statements.

iii. No significant risk due to short-term maturity

The council is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and current liabilities.

Sport Medicine and Science Council of Saskatchewan Inc.

Notes to the Financial Statements

For the Year Ended December 31, 2021

2. Significant Accounting Policies

g. Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for private enterprises 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. Actual results could differ from those estimates and may have impact on future periods.

3. Inventories

a. Accounts by period

Inventory consists of the following:

	2021	2020
First aid supplies	\$ 17,382	\$ 19,223
Total	\$ 17,382	\$ 19,223

4. Investments

	2021	2020
CIBC Wood Gundy Cash balance	\$ 726	\$ 11,149
CIBC Wood Gundy Versabank GIC Cert A, Jan 6, 2022 - 2.24%	104,000	104,000
CIBC Wood Gundy RFA BK of CDA GTD Cert A, Sep 26, 2022 - 1.11%	98,000	98,000
CIBC Wood Gundy Equitable Bank GTA Cert A, Dec 15, 2023 - 1.97%	107,000	-
CIBC Wood Gundy Mutual Funds - CIBC High Interest Savings Acc	324,117	-
CIBC Wood Gundy Home Trust Co GIC Cert A, Sep 16, 2021 - 0.85%	-	95,800
CIBC Wood Gundy Equitable Bank GIC Cert A, Sept 17, 2021 - 2.16%	-	110,000
CIBC Wood Gundy Haventree Bank GTD Cert A, Nov 4, 2021 - 0.83%	-	100,000
CIBC Wood Gundy President's Choice GIC Cert A, Dec 13, 2021 - 2.21%	-	105,000
TD Direct Equitable Bank GIC, May 19, 2022 - 0.79% (May 17, 2021 - 1.47%)	200,000	150,000
TD Direct ISA - TDB 0.25% (cashable)	339,438	336,785
Total investments	\$ 1,173,281	\$ 1,110,734

Sport Medicine and Science Council of Saskatchewan Inc.

Notes to the Financial Statements

For the Year Ended December 31, 2021

5. Property, plant and equipment

Property, plant and equipment consist of the following:

			2021	2020
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Computer hardware	\$ 9,895	\$ (9,895)	-	\$ -
Computer software	1,334	(1,334)	-	-
Medical equipment	29,683	(27,973)	1,710	2,371
Office equipment	10,285	(9,533)	752	1,146
Total	\$ 51,197	\$ (48,735)	2,462	\$ 3,517

6. Sport Legacy Fund

The receivable from the Sport Legacy Fund and related liability consists of donations based on various programs and contributions by Sask Sport. To qualify for the additional contribution by Sask Sport, the council is required to leave the original amount and additional donations in the Legacy Fund for 5 years. Therefore, the fund is classified as a long-term asset.

7. Economic dependence

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

8. Impact of COVID-19

In March 2020, there was a global outbreak of COVID-19, which has had a significant impact on organizations through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

Sport Medicine and Science Council of Saskatchewan Inc.

For the Year Ended December 31, 2021

Schedule 1 - Self help revenue

	2021	2020
Internal		
Event medical coverage fees	\$ 6,272	\$ 1,830
Membership fees	876	967
Sport safety program fees	407	913
External		
Investment interest income	10,995	18,506
Non SLTF Grants		
CSCS(Sask Sport) - Annual Funding Grant	241,918	211,243
CSCS(Sask Sport) - Other Income and Grants	37,290	12,781
Sales		
First aid kits and supplies	13,764	7,210
Other sales initiatives	36	25
Consulting fees	44,649	42,549
Total self help revenue	\$ 356,207	\$ 296,024

Schedule 2 - Administration expenses

	2021	2020
Accounting and audit	\$ 11,369	\$ 6,103
Administration salaries and benefits	319,304	260,103
Depreciation	1,055	1,082
Insurance	5,516	6,845
Office operations	32,041	39,369
Staff travel and meetings	1,064	1,208
Total administration expenses	\$ 370,349	\$ 314,710

The accompanying notes are an integral part of these financial statements.

Sport Medicine and Science Council of Saskatchewan Inc.

For the Year Ended December 31, 2021

Schedule 3 - Capacity and Interaction

	2021	2020
Awards and recognition	\$ -	\$ 2,413
Communications	184	287
Marketing and promotion	250	2,552
Meetings (AGM/board/committee)	846	300
Planning and policy development	220	-
Professional leadership development	812	783
Professional membership fees and affiliations	166	166
Total capacity and interaction expenses	\$ 2,478	\$ 6,501

The accompanying notes are an integral part of these financial statements.

Sport Medicine and Science Council of Saskatchewan Inc.

For the Year Ended December 31, 2021

Schedule 4 - Programs and Services

	2021	2020
Sport Science		
Biomechanics programming	\$ -	\$ 2,046
Exercise physiology and strength programming	59,508	87,531
Mental performance programming	82,052	85,358
Sport nutrition programming	79,238	93,770
Total Sport Science	220,798	268,705
Sport Medicine		
Drug education and nutritional supplement program	19,992	14,882
Event medical coverage	19,814	11,636
Sport medicine educational sessions and consulting	6,073	3,341
Sport safety program	4,710	1,045
Total Sport Medicine	50,589	30,904
Canadian Sport Centre Saskatchewan		
Consulting services	199,387	166,244
Other CSCS programs and services	34,821	12,781
Staff salary allocations	45,000	45,000
Total Canadian Sport Centre Saskatchewan	279,208	224,025
Total programs and services expenses	\$ 550,595	\$ 523,634

The accompanying notes are an integral part of these financial statements.