

**REGINA SOCCER
ASSOCIATION, INC.**
Financial Statements
September 30, 2005

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AUDITORS' REPORT

To The Members of
Regina Soccer Association, Inc.

We have audited the balance sheet of **REGINA SOCCER ASSOCIATION, INC.** as at September 30, 2005 and the statements of operations and changes in members' equity for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraphs, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many non-profit organizations, the Association derives revenue from cash receipts, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Association and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenditures, assets and surplus.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of revenues referred to in the third paragraph, these financial statements present fairly, in all material respects, the financial position of the Association as at September 30, 2005, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.


Dudley & Company
Chartered Accountants LLP

Regina, Saskatchewan
November 29, 2005

REGINA SOCCER ASSOCIATION, INC.

Balance Sheet

As at September 30, 2005

ASSETS

	<u>2005</u>	<u>2004</u>
CURRENT ASSETS		
Bank - general chequing and savings	\$193,407	\$ 25,194
Bank - facility savings	566,114	312,315
Bank - restricted fund	0	86,245
Accounts receivable	62,465	1,563
Prepaid expenses	<u>803</u>	<u>10,165</u>
Total Current Assets	822,789	435,482
CAPITAL ASSETS - note 2	<u>36,835</u>	<u>323,619</u>
Total Assets	<u>\$859,624</u>	<u>\$759,101</u>

LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES		
Performance deposits	\$ 14,700	\$ 0
Deferred revenue	109,044	0
Accounts payable	<u>12,836</u>	<u>7,622</u>
Total Current Liabilities	<u>136,580</u>	<u>7,622</u>
MEMBERS' EQUITY - page 4		
Equity in Capital Assets	36,835	323,619
Externally restricted	0	86,245
Internally restricted	566,114	312,315
Unrestricted	<u>120,095</u>	<u>29,300</u>
Total Members' Equity	<u>723,044</u>	<u>751,479</u>
Total Liabilities and Members' Equity	<u>\$859,624</u>	<u>\$759,101</u>

Approved on behalf of the Board:

Director_____
Director

See Accompanying Notes

REGINA SOCCER ASSOCIATION, INC.

Statement of Operations
For the year ended September 30, 2005

	General Fund		Restricted Funds					
	Operating	Facility	Total 2005	Total 2004	Capital Assets 2005	Externally Restricted 2005	Total 2005	Total 2004
REVENUES								
Clinics	\$ 4,452	\$ 0	\$ 4,452	\$ 3,127	\$ 0	\$ 0	\$ 0	\$ 0
Concession	0	9,489	9,489	8,018	0	0	0	0
Contributions	3,001	1,121	4,122	0	3,500	154	3,654	78,264
Interest and other	13,741	0	13,741	11,584	0	0	0	211
MAP grant	11,143	0	11,143	10,499	0	0	0	0
Registration and fees	426,592	111,226	537,818	542,136	0	0	0	0
Rentals	108,126	0	108,126	101,681	0	0	0	0
Advertising	625	0	625	0	0	0	0	0
Tournaments	62,535	0	62,535	38,107	0	0	0	0
Total Revenues	630,215	121,836	752,051	715,152	3,500	154	3,654	78,475
EXPENDITURES								
Advertising	1,715	0	1,715	0	0	0	0	0
Affiliation and other fees	93,526	0	93,526	81,332	0	0	0	0
Amortization	0	0	0	0	2,756	0	2,756	58,924
Clinics	4,025	0	4,025	5,642	0	0	0	0
Fundraiser expense	0	0	0	0	0	286	286	43,828
Facility rent	115,560	0	115,560	115,560	0	0	0	0
Facility utilities	70,672	0	70,672	83,908	0	0	0	0
Facility maintenance	0	8,077	8,077	23,979	0	0	0	0
Field lining	21,450	0	21,450	26,510	0	0	0	0
Field rent	29,712	0	29,712	27,007	0	0	0	0
Insurance	3,430	0	3,430	2,321	0	0	0	0
Office and telephone	20,750	0	20,750	19,976	0	0	0	0
Office rent	6,902	0	6,902	6,210	0	0	0	0
Player Cards	828	0	828	0	0	0	0	0
Professional fees	8,143	0	8,143	12,360	0	0	0	0
Project development	0	0	0	2,855	0	0	0	0
Referees	50,116	0	50,116	53,788	0	0	0	0
Tournaments	15,840	0	15,840	28,941	0	0	0	0
Tournaments (All Stars)	0	0	0	2,711	0	0	0	0
Trophies, awards	18,838	0	18,838	18,150	0	0	0	0
Wages and benefits	77,786	0	77,786	62,194	0	0	0	0
Loss on sale of assets	0	0	0	0	233,728	0	233,728	0
Total Expenditures	539,293	8,077	547,370	573,444	236,484	286	236,770	102,752
Revenue over (under) expenditures	\$ 90,922	\$113,759	\$204,681	\$141,708	(\$232,984)	(\$ 132)	(\$233,116)	(\$ 24,277)

See Accompanying Notes

REGINA SOCCER ASSOCIATION, INC.
Statement of Changes in Members' Equity
For the year ended September 30, 2005

	Equity in Capital Assets	Externally Restricted	Internally Restricted	Unrestricted	Total 2005	Total 2004
Balance - beginning of year	\$323,619	\$ 86,245	\$312,315	\$ 29,300	\$751,479	\$634,048
Revenue over (under)						
Expenditures - page 3	(232,984)	(132)	113,759	90,922	(28,435)	117,431
Internal transfers	(53,800)	(86,113)	140,040	(127)	0	0
Balance - end of year	<u>\$ 36,835</u>	<u>\$ 0</u>	<u>\$566,114</u>	<u>\$120,095</u>	<u>\$723,044</u>	<u>\$751,479</u>

See Accompanying Notes

REGINA SOCCER ASSOCIATION, INC.

Notes to the Financial Statements

September 30, 2005**GENERAL**

The Regina Soccer Association, Inc. is incorporated under the Non-Profit Corporations Act of Saskatchewan. Its principal activity is to administer competitive soccer events in Regina. The Association is a non-profit organization within the meaning of the Income Tax Act and is not subject to income taxes.

1. SIGNIFICANT ACCOUNTING POLICIES**Fund Accounting**

The Association follows the restricted fund method of accounting for contributions. The externally restricted fund accounts for contributions received and restricted by the contributors towards future building construction.

The general fund accounts for the Association's program delivery and administrative activities.

The capital asset fund reports the assets, liabilities, revenues and expenditures related to the Association's capital assets.

The internally restricted fund is a portion of the accumulated earnings that has been internally restricted by the Association for the purchase of materials for the indoor soccer facility. The equity in this fund is adjusted by way of internal transfer to equal the "facility savings" bank and investment account balances.

Capital Assets

Capital assets are recorded at cost. Amortization is provided on a straight-line basis over the asset's estimated useful lives (ranging from five to twenty years, depending on the asset). Amortization expense is reported in the Capital Asset Fund.

Voluntary Services

The operation of the Association is partially dependant on voluntary services. Since these services would not normally be purchased by the Association, and because of difficulty in determining the fair market value of donated services, these donated services are not recognized in these statements.

Measurement Uncertainty

The amounts recorded for the estimated useful life of capital assets are based on management's best estimate. These estimates are reviewed periodically and as adjustments become necessary they are reported earnings in the period in which they become known. By their nature, estimates are subject to measurement uncertainty and the effect on the financial statements of any changes in estimates could be significant.

2. CAPITAL ASSETS

Capital assets consist of the following:

	<u>Cost</u>	<u>Rate</u>	<u>Accum. Amort.</u>	<u>Net Book Value</u>	
				<u>2005</u>	<u>2004</u>
Computers and printers	\$ 6,979	1/5 SL	\$ 6,205	\$ 774	\$ 1,676
Office furniture/fixtures	8,288	1/15	3,430	4,858	5,410
Scoreboards	10,538	1/5	0	10,538	1,914
Soccer tile	0	1/20	0	0	115,912
Soccer nets and posts	14,162	1/5	0	14,162	0
Tempered glass and soccer pitch	0	1/10	0	0	63,009
Video camera system	13,006	1/10	6,503	6,503	7,804
Facility improvements	0	1/16	0	0	127,894
	<u>\$ 52,973</u>		<u>\$ 16,138</u>	<u>\$ 36,835</u>	<u>\$323,619</u>

The Association sold all their assets relating to the soccer facility during the year as a new facility was built and is to be used. No amortization was recorded on items purchased in the current year for the new soccer facility.

REGINA SOCCER ASSOCIATION, INC.
Notes to the Financial Statements
September 30, 2005

3. STATEMENT OF CASH FLOWS

A statement of cash flows has not been prepared, as it would not provide any significant additional information. During the year, the Association sold capital assets for proceeds of \$75,000 and purchased new capital assets for \$24,700.

4. COMMITMENTS

The Association is in the process of entering into a new lease for office space and the new indoor soccer facility. At the time of the audit, negotiations were still underway.

5. FINANCIAL INSTRUMENTS

The fair value of the financial assets and liabilities approximates their carrying value due to their short term nature.

It is management's opinion that the company is not exposed to significant interest, currency, or credit risks arising from its financial instruments.