

**THE PROVINCIAL SPORT ORGANIZATIONS COUNCIL  
OPERATING AS "SPORT4ONTARIO"**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

**THE PROVINCIAL SPORT ORGANIZATIONS COUNCIL**

**OPERATING AS "SPORT4ONTARIO"**

**CONTENTS**

Independent Auditors' Report	1
Statement of Financial Position	2
Statement of Operations and Changes in Fund Balance	3
Statement of Cash Flows	4
Notes to Financial Statements	5

## INDEPENDENT AUDITORS' REPORT

To the Members of  
**The Provincial Sport Organizations Council - operating as Sport4Ontario**

We have audited the accompanying financial statements of **The Provincial Sport Organizations Council**, operating as Sport4Ontario, which comprise the statement of financial position as at **December 31, 2018**, and the statements of operations and changes in fund balance and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### ***Management and Directors' Responsibility for the Financial Statements***

Management and directors are 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 and directors determines are 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 **The Provincial Sport Organizations Council, operating as Sport4Ontario** as at **December 31, 2018**, and the results of its operations and its cash flows then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*WH Partners LLP*

**CHARTERED ACCOUNTANTS**, Licensed Public Accountants

Richmond Hill, Ontario  
October 9, 2020

**THE PROVINCIAL SPORT ORGANIZATIONS COUNCIL  
OPERATING AS "SPORT4ONTARIO"**

Statement of Financial Position

December 31, 2018

	2018	2017
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 1,890	\$ 2,407
Account Receivable	-	896
	<b>\$ 1,890</b>	<b>\$ 3,303</b>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 2,083	\$ 1,667
Deferred revenue	-	1,800
	<b>2,083</b>	<b>3,467</b>
<b>FUND BALANCE</b>		
<b>Fund Balance</b>	<b>(193)</b>	<b>(164)</b>
	<b>\$ 1,890</b>	<b>\$ 3,303</b>

**APPROVED ON BEHALF OF THE BOARD**

\_\_\_\_\_

Director

\_\_\_\_\_

Director

(See accompanying notes to financial statements)

**THE PROVINCIAL SPORT ORGANIZATIONS COUNCIL  
OPERATING AS "SPORT4ONTARIO"**

Statement of Operations and Changes in Fund Balance

For The Year Ended December 31, 2018

	2018	2017
<b>Revenues</b>		
Membership	\$ 5,200	\$ 6,270
Other	9,450	2,813
	<u>14,650</u>	<u>9,083</u>
<b>Expenditures</b>		
Communication	359	355
Facilities, rent and renovation	1,334	1,208
Insurance	1,058	1,058
Interest and bank charges	55	31
Member relations	191	542
Stakeholder	1,203	600
Office expenses	2,230	1,679
Professional fees	1,469	1,425
Website design and development fees	6,780	1,695
	<u>14,679</u>	<u>8,593</u>
<b>(Expenditures Over Revenue) Excess of Revenue over Expenditures</b>	<b>(29)</b>	490
<b>Fund Balance - Beginning of Year</b>	<u>(164)</u>	<u>(654)</u>
<b>Fund Balance - End of Year</b>	<u>\$ (193)</u>	<u>\$ (164)</u>

(See accompanying notes to financial statements)

**THE PROVINCIAL SPORT ORGANIZATIONS COUNCIL  
OPERATING AS "SPORT4ONTARIO"**

Statement of Cash Flows

Year Ended December 31, 2018

Unaudited

	2018	2017
<b>Cash Flows from Operating Activities</b>		
Revenue from:		
General Fund	\$ 14,650	\$ 9,083
General Fund Expenses	(14,679)	(8,593)
Change in other non-cash operating accounts		
Accounts receivable, interest receivable, government rebates	895	733
Accounts payable, accrued liabilities, government remittances	417	(1,366)
Unearned revenue	(1,800)	1,800
	<hr/>	<hr/>
<b>(Decrease) Increase in Cash</b>	<b>(517)</b>	<b>1,657</b>
<b>Cash - beginning of year</b>	<b>2,407</b>	<b>750</b>
	<hr/>	<hr/>
<b>Cash - end of year</b>	<b>\$ 1,890</b>	<b>\$ 2,407</b>
	<hr/>	<hr/>

(See accompanying notes to financial statements)

**THE PROVINCIAL SPORT ORGANIZATIONS COUNCIL  
OPERATING AS "SPORT4ONTARIO"**

Notes to Financial Statements

December 31, 2018

**1. Purpose of the Organization**

The Provincial Sport Organizations Council ("PSO Council") operating as SPORT4ONTARIO is a non-profit organization that coordinates activities common to and in the interests of provincial sport organizations and multi-sport organization in the Province of Ontario.

The Provincial Sport Organizations Council was incorporated by Letters Patent dated October 27, 1998 as a tax exempt entity. The Organization is to be carried on without pecuniary gain to its members and any profits or other accretions shall be used in promoting its objectives.

The organization received its initial net assets from Sport Ontario, which was dissolved as a corporation in November 1997.

**2. Summary of Significant Accounting Policies**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following accounting policies:

a) Basis of Presentation

The financial statements of the Organization reflect the assets, liabilities, revenues and expenses of the operations of the organization.

b) Revenue Recognition

The Organization follows the deferral method of accounting for grants. Grants are recognized as revenue in the year in which the related expenses are incurred. Program fees are recognized as revenue when the programs are held. Investment income includes interest income, realized investment gains and losses, and where applicable, charges for other than temporary impairment of investments.

c) Donated Services

The organization benefits greatly from donated services in the form of volunteer work to assist The provincial Sport Organizations Council in carrying out its service delivery activities. Because of the difficulty in determining their fair value, donated services are not recognized in the financial statements.

d) Fund Accounting

The corporation follows the restricted fund method of accounting

The general fund reports the revenues and expenditures of the general operations.

e) Use of Estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the amount reported in the financial statements and accompanying notes. In the opinion of management, these financial statements reflect, within reasonable limits of materiality, all adjustments necessary to present fairly the results for the years presented. Actual results could differ from these estimates. Assumptions are used in estimating the collectability of accounts receivable, accrued liabilities and deferred revenue.

**3. Financial Instruments**

Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant interest rate, currency or credit risks arising from its financial instruments.