

# **Calgary & District Amateur Softball Association**

**202, 811 Manning Road NE**

**Calgary, Alberta**

**T2E 7L4**

March 5, 2019

D. S. Rutherford Professional Corporation  
#310, 7326 – 10<sup>th</sup> Street NE  
Calgary, Alberta  
T2E 8W1

Dear Sir:

We are providing this letter in connection with your review of the financial statements of Calgary & District Amateur Softball Association for the year ended December 31, 2018, which we acknowledge you performed in accordance with Canadian generally accepted standards for not for profit organizations.. We acknowledge that we are responsible for the fair presentation of the financial statements in accordance with Canadian generally accepted accounting standards, and for the design and implementation of internal control to prevent and detect fraud and error.

We understand that your review procedures consisted primarily of enquiry, analytical procedures and discussion, which are not designed to identify, nor can they necessarily be expected to disclose, fraud, shortages, errors or other irregularities, should any exist.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

We confirm, to the best of our knowledge and belief the following representations made to you during your review.

## **Financial Statements**

1. The financial statements referred to above present fairly, in all material respects, the financial position of the company as at December 31, 2018, and the results of its operations and its cash flows for the year then ended, in accordance with Canadian generally accepted accounting standards for not for profit organizations
2. We have reviewed, approved and recorded all of the following:
  - Adjusting journal entries that you prepared or changed. In our opinion, the effects of not recording such identified financial statement misstatements are, both individually and in the aggregate, immaterial to the financial statements of the company taken as a whole.
  - Account codes you determined or changed;
  - Transactions you classified; and
  - Accounting records you prepared or changed.

### **Completeness of Information**

4. We have responded fully to all enquiries made to us and have made available to you all financial records and related data and all minutes of the meetings of shareholders, directors and committees of directors.
5. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
6. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements.
7. We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the financial statements or as the basis of recording a contingent loss.
8. We have identified to you all known related parties and related party transactions, including guarantees, non-monetary transactions and transactions for no consideration.

### **Recognition, Measurement and Disclosure**

9. We believe that the significant assumptions used in arriving at the fair values of financial instruments as measured and disclosed in the financial statements are reasonable and appropriate in the circumstances.
10. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
11. All related party transactions have been appropriately measured and disclosed in the financial statements.
12. The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
13. We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.
14. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
15. The company has satisfactory title to all assets, and there are no liens or encumbrances on the company's assets.

16. We have disclosed to you, and the company has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
17. There have been no events subsequent to the balance sheet date up to the date hereof that would require recognition or disclosure in the financial statements.

Yours very truly,

Calgary & District Amateur Softball Association

**Calgary & District Amateur Softball Association**

Year End: December 31, 2018

Adjusting journal entries

Date: 1/1/2018 To 12/31/2018

Prepared by	Reviewed by
DSR 3/2/2019	

6. 2

Number	Date	Name	Account No	Re A	Debit	Credit	Recurrence	Misstatement
AJE1	12/31/2018	Casino Account	1055	UU-1		176.64		
AJE1	12/31/2018	Current Account	1060	UU-1	382.11			
AJE1	12/31/2018	Current Account	1060	UU-1		222.96		
AJE1	12/31/2018	Current Account	1060	UU-1	474.76			
AJE1	12/31/2018	Current Account	1060	UU-1		2,016.44		
AJE1	12/31/2018	Current Account	1060	UU-1		2,016.44		
AJE1	12/31/2018	Current Account	1060	UU-1		2,016.40		
AJE1	12/31/2018	Current Account	1060	UU-1	0.20			
AJE1	12/31/2018	Current Account	1060	UU-1		2,171.22		
AJE1	12/31/2018	Current Account	1060	UU-1		1,482.92		
AJE1	12/31/2018	Balls	1520	UU-1		566.50		
AJE1	12/31/2018	Scorebooks	1530	UU-1		174.17		
AJE1	12/31/2018	Scorebooks	1530	UU-1		174.17		
AJE1	12/31/2018	Miscellaneous	1540	UU-1	566.50			
AJE1	12/31/2018	Retained Earnings - Previous Year	3560	UU-1	9,245.95			
AJE1	12/31/2018	Retained Earnings - Previous Year	3560	UU-1	348.34			
To record prior year adjusting entries (AJE1-AJE 11)								
AJE2	12/31/2018	Casino Account	1055	A-2	2,092.90			
AJE2	12/31/2018	Casino Account	1055	A-2		47.85		
AJE2	12/31/2018	Casino Account	1055	A-2		502.95		
AJE2	12/31/2018	Casino Account	1055	A-2		1,575.00		
AJE2	12/31/2018	Casino Account	1055	A-2		2,205.00		
AJE2	12/31/2018	Casino Account	1055	A-2		2,595.58		
AJE2	12/31/2018	GST Paid on Purchases	2315	A-2	2.28			
AJE2	12/31/2018	GST Paid on Purchases	2315	A-2	23.95			
AJE2	12/31/2018	GST Paid on Purchases	2315	A-2	75.00			
AJE2	12/31/2018	GST Paid on Purchases	2315	A-2	105.00			
AJE2	12/31/2018	GST Paid on Purchases	2315	A-2	123.60			
AJE2	12/31/2018	Centennial	5050	A-2	45.57			
AJE2	12/31/2018	Centennial	5050	A-2	479.00			
AJE2	12/31/2018	Centennial	5050	A-2	1,500.00			
AJE2	12/31/2018	Centennial	5050	A-2	2,100.00			
AJE2	12/31/2018	Centennial	5050	A-2	2,471.98			
AJE2	12/31/2018	Interest & Bank Charges	5690	A-2	120.50			
AJE2	12/31/2018	Miscellaneous Expenses	5740	A-2		19.13		
AJE2	12/31/2018	Casino Advisor Fees	5770	A-2		2,194.27		
To record missed bank transactions for the casino account								
AJE3	12/31/2018	Current Account	1060			791.25		
AJE3	12/31/2018	Current Account	1060			62.99		
AJE3	12/31/2018	Current Account	1060			178.96		
AJE3	12/31/2018	Current Account	1060			290.93		
AJE3	12/31/2018	Current Account	1060			2,041.12		
AJE3	12/31/2018	Current Account	1060			1,500.00		
AJE3	12/31/2018	Current Account	1060			95.76		
AJE3	12/31/2018	Current Account	1060					
AJE3	12/31/2018	GST Paid on Purchases	2315		9.04			
AJE3	12/31/2018	GST Paid on Purchases	2315		3.00			
AJE3	12/31/2018	GST Paid on Purchases	2315		8.53			
AJE3	12/31/2018	GST Paid on Purchases	2315		13.86			
AJE3	12/31/2018	GST Paid on Purchases	2315		4.56			
AJE3	12/31/2018	In-House Leagues	4155					
AJE3	12/31/2018	Sales - Diamond Fees - City	4200					
AJE3	12/31/2018	Wages & Salaries	5410		2,041.12			
AJE3	12/31/2018	Wages & Salaries	5410		1,500.00			
AJE3	12/31/2018	Interest & Bank Charges	5690		601.38			
AJE3	12/31/2018	Office Supplies	5700		180.83			
AJE3	12/31/2018	Office Supplies	5700		170.43			
AJE3	12/31/2018	Office Supplies	5700		277.07			
AJE3	12/31/2018	Software	5730		59.99			
AJE3	12/31/2018	Software	5730		91.20			
To record missed bank transactions								

# Calgary & District Amateur Softball Association

Year End: December 31, 2018

Adjusting journal entries

Date: 1/1/2018 To 12/31/2018

Prepared by	Reviewed by
DSR 3/2/2019	

6. 2-1

Number	Date	Name	Account No	Re A	Debit	Credit	Recurrence	Misstatement
for the current account								
AJE4	12/31/2018	Petty Cash	1050	A. 1		1,615.58		
AJE4	12/31/2018	Current Account	1060	A. 1	1,615.58			
To adjust bank balance for current account to petty cash								
AJE5	12/31/2018	Retained Earnings - Previous Year	3560			3,317.88		
AJE5	12/31/2018	GST-Rebate	4465			7,974.58		
AJE5	12/31/2018	GST Payable	5786		11,292.46			
To adjust opening retained earnings for GST accounts								
AJE6	12/31/2018	Deferred Revenue	2470		45,000.00			
AJE6	12/31/2018	Casino Proceeds	4425			45,000.00		
To recognize deferred revenue								
					83,026.69	83,026.69		
Net Income (Loss)			353.58					

Calgary & District Amateur Softball Association  
Unadjusted Errors  
December 31, 2018

Inventory	65.00		(D-1)
Cost of balls		65.00	
GST Payable		647.53	(CC-3)
Expenses	647.53		

All other adjustments made

***D. S. Rutherford Professional Corporation***  
***#310, 7326 – 10<sup>th</sup> Street NE***  
***Calgary, Alberta T2E 8W1***

January 15, 2019

Calgary & District Amateur Softball Association  
202, 811 Manning Road NE  
Calgary, Alberta T2E 7L4

Dear Sirs:

The purpose of this letter is to outline the terms of my engagement to review the financial statements of Calgary & District Amateur Softball Association for the year ending December 31, 2018.

**Objective, Scope and Limitations**

This review engagement does not constitute an audit, and therefore does not provide assurance that I will become aware of any or all significant matters that might be identified in an audit. For example, it does not contemplate a study and evaluation of internal control, tests of accounting records and of responses to enquiries by obtaining audit evidence through inspection, observation or confirmation, or other procedures ordinarily performed during an audit. Accordingly, this review is not intended to, and will not, result in the expression of an audit opinion or the fulfilling of any statutory or other audit requirement. In addition, each page of the financial statements will be conspicuously marked "unaudited".

This engagement cannot be relied upon to prevent or detect fraud and error and other irregularities. The control over and responsibility for the prevention and detection of fraud and error remain solely with management.

Unless unanticipated difficulties are encountered, my report will be substantially in the following form:

**REVIEW ENGAGEMENT REPORT**

***To the Shareholder:***  
***Calgary & District Amateur Softball Association***

I have reviewed the statement of financial position of Calgary & District Amateur Softball Association as at December 31, 2018 and the statements of earnings and retained earnings 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 private enterprises, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Practitioner's Responsibility*

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which requires me to comply with the relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly we do not express an opinion on these financial statements.

### *Conclusion*

Based on my review, nothing has come to my attention that causes me to believe that these financial statements do not present fairly, in all material respects, the financial position of Calgary & District Amateur Softball Association as at December 31, 2018, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Date  
Calgary, Alberta

**Chartered Accountant**

### **My Responsibilities**

I will conduct the review, consisting primarily of enquiry, analytical procedures and discussion, of Calgary & District Amateur Softball Association financial statements in accordance with Canadian generally accepted standards for review engagements.

One of the underlying principles of the profession is a duty of confidentiality with respect to client affairs. Accordingly, except for information that is in or enters the public domain, I will not provide any third party with confidential information concerning the affairs of Calgary & District Amateur Softball Association without Calgary & District Amateur Softball Association prior consent, unless required to do so by legal authority, the rules of professional conduct / code of ethics.

I will communicate in writing to [those having oversight responsibility for the financial reporting process] the relationships between myself and Calgary & District Amateur Softball Association (including related entities) that, in my professional judgment, may reasonably be thought to bear on my independence. Further, I will confirm my independence with respect to Calgary & District Amateur Softball Association



## **Use and Distribution of our Report**

The review of the financial statements and the issuance of my report are solely for the use of Calgary & District Amateur Softball Association and those to whom my report is specifically addressed by me. I make no representations of any kind to any third party in respect of these financial statements and I accept no responsibility for their use by any third party.

## **Management's Responsibilities**

Management is responsible for:

### **Financial statements**

- a) The preparation and fair presentation of Calgary & District Amateur Softball Association's financial statements in accordance with Canadian generally accepted accounting principles;

### **Completeness of information**

- a) Providing me with and making available complete financial records and related data, and copies of all minutes of meetings of shareholders, directors and committees of directors;
- b) Providing me with information relating to any known or probable instances of non-compliance with legislative or regulatory requirements, including financial reporting requirements;
- c) Providing me with information relating to any illegal or possibly illegal acts, and all facts related thereto;
- d) Providing me with information regarding all related parties and related party transactions;

### **Fraud and error**

- a) The design and implementation of internal controls to prevent and detect fraud and error;

### **Recognition, measurement and disclosure**

- a) Providing me with its assessment of the reasonableness of significant assumptions underlying fair value measurements and disclosures in the financial statements;
- b) Providing me with any plans or intentions that may affect the carrying value or classification of assets or liabilities;
- c) Providing me with information relating to measurement and disclosure of transactions with related parties;
- d) Providing me with an assessment of all areas of measurement uncertainty known to management that are required to be disclosed in accordance with Measurement Uncertainty, CICA Handbook – Accounting Section 1508;
- e) Providing me with information relating to claims and possible claims, whether or not they have been discussed with Calgary & District Amateur Softball Association legal counsel;

- f) Providing me with information relating to other liabilities and contingent gains or losses, including those associated with guarantees, whether written or oral, under which Calgary & District Amateur Softball Association is contingently liable;
- g) Providing me with information on whether Calgary & District Amateur Softball Association has satisfactory title to assets, liens or encumbrances on assets exist, and assets are pledged as collateral;
- h) Providing me with information relating to compliance with aspects of contractual agreements that may affect the financial statements;
- i) Providing me with information concerning subsequent events; and
- j) Providing me with representations on specific matters communicated to me during the engagement.

Management is responsible for the accurate reproduction of the financial statements, the accountant's report and other related information contained in an annual report or other public documents. This includes any incorporation by reference to either full or summarized financial statements that I have reviewed.

### **Working Papers**

The working papers, files, other materials, reports and work created, developed or performed by me during the course of the engagement are the property of my Firm, constitute confidential information and will be retained by me in accordance with my Firm's policies and procedures.

This engagement letter is subject to and governed by the laws of the province of Alberta. The province of Alberta will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it. Each party irrevocably waives any right it may have to object to any action being brought in those courts, to claim that the action has been brought in an inappropriate forum, or to claim that those courts do not have jurisdiction.

Calgary & District Amateur Softball Association hereby agrees to indemnify, defend (by counsel retained and instructed by me), and hold harmless my firm and its partners, agents or employees, from and against any and all losses, costs (including solicitors' fees), damages, expenses, claims, demands or liabilities arising out of or in consequence of:

- (a) The breach by Calgary & District Amateur Softball Association, or its directors, officers, agents, or employees,  
of any of the covenants made by Calgary & District Amateur Softball Association herein, including, without restricting the generality of the foregoing, the misuse of, or the unauthorized dissemination of, my engagement report or the financial statements in reference to which the engagement report is issued, or any other work product made available to you by my firm; and
- (b) The services performed by me pursuant to this engagement, unless, and to the extent that, such losses, costs, damages and expenses are found by a court of competent jurisdiction to have been due to the negligence of my Firm. In the event that the matter is settled out of court, I will mutually agree on the extent of the indemnification to be provided by your company.

We will use all reasonable efforts to complete the engagement as described in this letter within the agreed upon time frames. However, I shall not be liable for failures or delays in performance that arise from causes beyond my control, including the untimely performance by Calgary & District Amateur Softball Association of its obligations.

## **Fees**

### **Fees at Regular Billing Rates**

My professional fees will be based on my regular billing rates plus direct out-of-pocket expenses and applicable GST/HST and are due when rendered. Fees for any additional services will be established separately.

If significant additional time is necessary, I will discuss the reasons with you and agree on a revised fee estimate before I incur the additional costs.

Fees will be rendered as work progresses and are payable on presentation.

### **Costs of Responding to Government Inspection**

If with respect to this review engagement or related services, I am required by government regulation, subpoena, or other legal process to produce my working papers, or to respond to information requests, I will bill the time incurred based on my regular rates plus direct out-of-pocket expenses and applicable GST/HST.

## **Use of Information**

It is acknowledged that I will have access to all personal information in your custody that I require to complete my engagement. My services are provided on the basis that:

- (a) You represent to me that management has obtained any required consents for collection, use and disclosure to me of personal information required under applicable privacy legislation; and
- (b) We will hold all personal information in compliance with my Privacy Statement.

## **File Inspections**

In accordance with professional regulations (and by Firm policy), my client files may periodically be reviewed by practice inspectors and by other file quality reviewers to ensure that I am adhering to professional and Firm standards. File reviewers are required to maintain confidentiality of client information.

The above terms of my engagement will be effective from year to year until amended or terminated in writing.

If you have any questions about the contents of this letter, please raise them with me. If the services outlined are in accordance with your requirements and if the above terms are acceptable to you, please sign the copy of this letter in the space provided and return it to me.

We appreciate the opportunity of continuing to be of service to your company.

Yours very truly,

D. S Rutherford Professional Corporation

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Chartered Accountant

**ACKNOWLEDGED:**

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***D. S. Rutherford Professional Corporation***  
***Chartered Accountant***

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January 15, 2019

Calgary & District Amateur Softball Association  
202, 811 Manning Road NE  
Calgary, Alberta  
T2E 7L4

Dear Sir:

I have been engaged to review the financial statements of Calgary & District Amateur Softball Association for the year ending December 31, 2018.

Canadian generally accepted standards for review engagements require that I communicate at least annually with you regarding all relationships between the company and ourselves that, in my professional judgment, may reasonably be thought to bear on my independence.

In determining which relationships to report, the standards require us to consider relevant rules and related interpretations prescribed by the Alberta Institute of Chartered Professional Accountants and applicable legislation, covering such matters as:

- (a) Holding a financial interest, either directly or indirectly, in a client;
- (b) Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- (c) Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- (d) Economic dependence on a client; and
- (e) Provision of services in addition to the review engagement.

I have prepared the following comments to facilitate my discussion with you regarding independence matters arising since December 31, 2017.

I am not aware of any relationships between the Association and myself that, in my professional judgment, may reasonably be thought to bear on my independence, that have occurred from January 1, 2018 to January 15, 2019.

Calgary & District Amateur Softball Association  
January 15, 2019

Canadian generally accepted standards for review engagements require that I confirm my independence to management or persons having oversight responsibility for the financial reporting process. However, since the Rules of Professional Conduct of the Institute of Chartered Accountants of Alberta deal with the concept of independence in terms of objectivity, my confirmation is to be made in that context. Accordingly, I hereby confirm that I am objective with respect to the company within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Alberta as of January 15, 2019.

This report is intended solely for the use of the, board of directors, management and others within the Association and should not be used for any other purposes.

I look forward to discussing with you the matters addressed in this letter at our upcoming meeting.

Yours truly,



D. S. Rutherford CA

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**CALGARY AND DISTRICT AMATEUR SOFTBALL ASSOCIATION**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

**(Unaudited)**

***D. S. Rutherford Professional Corporation***  
***Chartered Accountant***

## **REVIEW ENGAGEMENT REPORT**

### ***To the Members:***

#### ***Calgary and District Amateur Softball Association***

I have reviewed the statement of financial position of Calgary and District Amateur Softball Association as at December 31, 2018 and the statements of earnings and retained earnings 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 controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Practitioner's Responsibility***

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which requires me to comply with the relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly we do not express an opinion on these financial statements.

#### ***Conclusion***

Based on my review, nothing has come to my attention that causes me to believe that these financial statements do not present fairly, in all material respects, the financial position of Calgary and District Softball Association as at December 31, 2018, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Calgary, Alberta  
March 4, 2019

**CHARTERED ACCOUNTANT**

***D. S. Rutherford Professional Corporation***  
***Chartered Accountant***



# CALGARY AND DISTRICT AMATEUR SOFTBALL ASSOCIATION


## BALANCE SHEET

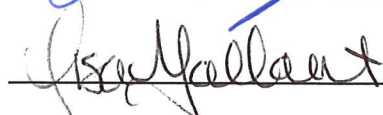
December 31, 2018

(Unaudited)

	2018	2017
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	28,319	19,612
Restricted cash (Note 2)	13,756	55,682
Accounts receivable	1,417	4,694
Goods and services tax receivable	1,324	9,475
Inventory	2,313	2,313
Prepaid expenses and deposits	4,127	4,127
	<u>51,256</u>	<u>95,903</u>
<b>PROPERTY AND EQUIPMENT (Note 3)</b>	<u>-</u>	<u>-</u>
	<u>51,256</u>	<u>95,903</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Bank indebtedness (Note 4)	-	-
Accounts payable and accruals	2,100	2,100
Deferred revenue	2,000	47,000
	<u>4,100</u>	<u>49,100</u>
<b>NET ASSETS</b>		
<b>EXTERNALLY RESTRICTED FUNDS</b>	20,160	18,720
<b>UNRESTRICTED</b>	<u>26,996</u>	<u>28,083</u>
	<u>47,156</u>	<u>46,803</u>
	<u>51,256</u>	<u>95,903</u>

### APPROVED ON BEHALF OF THE BOARD:

 Director

 Director

The accompanying notes are an integral part of these financial statements

D. S. Rutherford Professional Corporation  
Chartered Accountant

# CALGARY AND DISTRICT AMATEUR SOFTBALL ASSOCIATION

## STATEMENT OF CHANGES IN NET ASSETS

*For The Year Ended December 31, 2018*

*(Unaudited)*

	<i>Externally Restricted</i>	<i>Unrestricted</i>	<i>2018 Total</i>	<i>2017 Total</i>
Balance, beginning of year	18,720	28,083	46,803	26,416
Transfer of funds	1,440	(1,440)	-	-
Excess of revenue over expenses	-	353	353	20,387
Balance, end of year	20,160	26,996	47,156	46,803

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

***D. S. Rutherford Professional Corporation***  
***Chartered Accountant***

# CALGARY AND DISTRICT AMATEUR SOFTBALL ASSOCIATION

## STATEMENT OF CASH FLOWS For The Year Ended December 31, 2018 (Unaudited)

	2018	2017
<b>CASH PROVIDED BY (USED FOR) THE FOLLOWING</b>		
<b>OPERATING ACTIVITIES</b>		
Cash receipts from activities	183,772	257,564
Cash paid to suppliers	(92,052)	(106,955)
Cash paid to employees	(124,217)	(120,541)
Interest received	-	-
Interest paid	(722)	(477)
	<u>(33,219)</u>	<u>29,591</u>
<b>INVESTING ACTIVITIES</b>		
Decrease (increase) in restricted cash	<u>41,926</u>	<u>(25,473)</u>
<b>INCREASE IN CASH RESOURCES</b>	8,707	4,118
<b>CASH BALANCE, BEGINNING OF YEAR</b>	<u>19,612</u>	<u>15,494</u>
<b>CASH BALANCE, END OF YEAR</b>	<u><u>28,319</u></u>	<u><u>19,612</u></u>
<b>CASH IS COMPRISED OF:</b>		
Cash	<u><u>28,319</u></u>	<u><u>19,612</u></u>

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

***D. S. Rutherford Professional Corporation***  
***Chartered Accountant***

# CALGARY AND DISTRICT AMATEUR SOFTBALL ASSOCIATION

## STATEMENT OF EARNINGS AND EXPENSES

For The Year Ended December 31, 2018  
(Unaudited)

	2018	2017
<b>REVENUE</b>		
Interest and other	2,148	2,569
Leagues and diamonds	8,368	14,328
Memberships	82,950	86,100
Net programs, core programs (Schedule 1)	19,842	23,355
Net programs, fundraising (Schedule 2)	44,981	46,830
Sponsorship	<u>5,800</u>	<u>4,300</u>
	<u>164,089</u>	<u>177,482</u>
<b>EXPENSES</b>		
Bank charges and interest	722	477
Business taxes, licenses and memberships	322	1,464
Insurance	2,658	(334)
Meetings, board and league	2,087	1,598
Office and computer	3,648	2,724
Professional fees	2,100	2,100
Rent	25,754	26,353
Salaries, wages and benefits	124,217	120,541
Telephone	<u>2,228</u>	<u>2,172</u>
	<u>163,736</u>	<u>157,095</u>
<b>NET EARNINGS FOR THE YEAR</b>	<u>353</u>	<u>20,387</u>

The accompanying notes are an integral part of these financial statements

D. S. Rutherford Professional Corporation  
Chartered Accountant

# CALGARY AND DISTRICT AMATEUR SOFTBALL ASSOCIATION

## SCHEDULE OF REVENUE AND EXPENSES - CORE PROGRAMS For The Year Ended December 31, 2018 (Unaudited)

	Schedule 1				
	Cities	1st Pitch	Games Supplies	Centennial	2017 Total
<b>Revenues</b>	13,766	750	21,252	36,845	72,613
<b>Expenses</b>					
Balls	-	-	16,285	-	16,285
Insurance	-	-	-	-	-
Scorebooks	-	-	4,169	-	4,169
Supplies	5,207	258	-	-	5,465
Repairs and maintenance	-	-	-	23,014	23,014
Umpires	3,838	-	-	-	3,838
	9,045	258	20,454	23,014	52,771
<b>Excess of revenue expenditures</b>	4,721	492	798	13,831	19,842
					23,922

**DRAFT**

The accompanying notes are an integral part of these financial statements

D. S. Rutherford Professional Corporation  
Chartered Accountant

# CALGARY AND DISTRICT AMATEUR SOFTBALL ASSOCIATION

## SCHEDULE OF REVENUE AND EXPENSES - FUNDRAISING

For the Year Ended December 31, 2018

(Unaudited)

Schedule 2

	2018	2017
<b>REVENUE</b>		
Gaming revenue	<u>45,000</u>	<u>49,043</u>
<b>EXPENSES</b>		
Advisor wages	<u>19</u>	<u>2,213</u>
<b>NET GAMING REVENUE</b>	<u>44,981</u>	<u>46,830</u>

**DRAFT**

The accompanying notes are an integral part of these financial statements

**D. S. Rutherford Professional Corporation**  
Chartered Accountant

# CALGARY AND DISTRICT AMATEUR SOFTBALL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

(Unaudited)

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### NATURE OF OPERATIONS

The Association was incorporated on May 12, 1976 under the provisions of the Societies Act of the Province of Alberta. The Association is a non-profit organization representing members of the softball leagues operating in Calgary, Alberta.

### 1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared on the basis of Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

#### ***Revenue recognition***

Contributions are included in revenue in the year in which they are received or receivable, with the exception that contributions to fund a specific future period's operating expenses are included in revenue in that later period.

#### ***Donated assets***

Donated assets, other than cash, have not been given accounting recognition.

#### ***Inventories***

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a first in, first out method.

#### ***Amortization of Property and Equipment***

Property and equipment are recorded at cost, net of any government assistance, and are being amortized on a straight-line basis over the following terms:

Computer hardware	4 years
Computer software	3 years
Office equipment	10 years
Furniture and fixtures	4 years
Telephone system	4 years

***D. S. Rutherford Professional Corporation***  
***Chartered Accountant***

# CALGARY AND DISTRICT AMATEUR SOFTBALL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

(Unaudited)

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### 1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### ***Income taxes***

The Association is a non-profit organization and is exempt from income taxes under Section 149(1)(l) of the Income Tax Act.

#### ***Deferred revenue***

Deferred revenue consists of fees paid prior to December 31, 2018 and unexpended gaming funds. During the year \$45,000 of unexpended gaming funds were recognized as revenue.

#### ***Use of estimates***

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of property and equipment. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

#### ***Short term investments***

Investments are classified as held for trading and recorded at fair market value.

### 2. RESTRICTED CASH

The Association maintains a number of separate bank accounts for the gaming fund activities. The balance in these gaming bank accounts is restricted as to the type of expenditure by the provision of the licenses obtained from the Provincial Government Gaming Authorities.

*D. S. Rutherford Professional Corporation*  
*Chartered Accountant*



# CALGARY AND DISTRICT AMATEUR SOFTBALL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

(Unaudited)

### 3. PROPERTY AND EQUIPMENT

	2018			2017		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Computer hardware	7,664	7,664	-	7,664	7,664	-
Telephone system	2,130	2,130	-	2,130	2,130	-
Furniture and fixtures	2,767	2,767	-	2,767	2,767	-
Leasehold Improvements	23,631	23,631	-	23,631	23,631	-
Office equipment	<u>42,992</u>	<u>42,992</u>	<u>-</u>	<u>42,992</u>	<u>42,992</u>	<u>-</u>
	<u>79,184</u>	<u>79,184</u>	<u>-</u>	<u>79,184</u>	<u>79,184</u>	<u>-</u>

### 4. BANK INDEBTEDNESS

A line of credit is available to a maximum of \$30,000 and bears interest at bank prime plus 2.5%. None of the line was in use at December 31, 2018. The line is reviewed annually.

### 6. COMMITMENTS

The Association has entered into a five-year lease commencing June 1, 2014 for its premises. The minimum annual lease payment will be \$ 1,011 per month and increasing annually to \$1,322 per month in the final year. Subsequent to year end the lease was terminated.

### 7. FINANCIAL INSTRUMENTS

#### *Liquidity Risk*

Liquidity is the risk that the Association will not be able to meet its obligations associated with financial liabilities. Cash flow from operations provides a substantial portion of the Company's cash requirements. Additional cash requirements are met with the use of the available line of credit which provides flexibility in the short term to meet operational needs.

#### *Credit Risk*

Credit risk arises from the possibility that members will not fulfil their fee obligations. The Association mitigates the risk by performing its due diligence on the member leagues.

*D. S. Rutherford Professional Corporation*  
*Chartered Accountant*

# **CALGARY AND DISTRICT AMATEUR SOFTBALL ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS**

*December 31, 2018*

*(Unaudited)*

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### **7. FINANCIAL INSTRUMENTS** *(continued)*

#### *Interest Rate Risk*

Interest rate risk arises from the possibility that cash flows related to financial instruments will fluctuate as the result of changes in market interest rates. The Association manages the risk by keeping its line of credit borrowings to a minimum.

### **8. EXTERNALLY RESTRICTED FUNDS**

Under the terms of an agreement with the City of Calgary the Association is required to set aside an amount of \$1,440 each year to provide for life cycle maintenance of the ball diamonds at Centennial Park.