

Pickleball Regina Inc.
Financial Statements
August 31, 2019
(Unaudited)

Management's Responsibility

To the Members of Pickleball Regina Inc.:

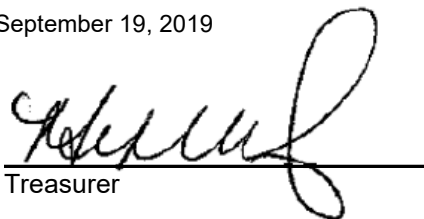
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgements and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of volunteers who are also involved in managing the Organization. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external accountants. The Board is also responsible for recommending the appointment of the Organization's external accountants.

MNP LLP is appointed by the Board of Directors to review the financial statements and report directly to them; their report follows. The external accountants have full and free access to, and may meet periodically and separately with, both the Board and management to discuss their review engagement results.

September 19, 2019



Treasurer

Independent Practitioner's Review Engagement Report

To the Members of Pickleball Regina Inc.:

We have reviewed the accompanying financial statements of Pickleball Regina Inc. that comprise the statements of financial position as at August 31, 2019 and the statements of operations, changes in net assets and cash flows for the years 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our reviews. We conducted our reviews in accordance with Canadian generally accepted standards for review engagements, which require us to comply with 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 audit opinion on these financial statements.

Basis for Qualified Conclusion

The comparative financial information for Pickleball Regina Inc. has not been subject to a review. Because the 2018 financial information for Pickleball Regina Inc. has not been subject to a review, we could not determine the effect of adjustments, if any, on the 2018 statement of financial position, would have on the current changes in operating results.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Pickleball Regina Inc. as at August 31, 2019 and the results of its operations and its cash flows for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Regina, Saskatchewan

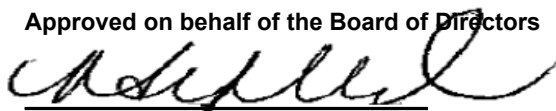
September 19, 2019

MNP LLP

Chartered Professional Accountants

Pickleball Regina Inc.
Statement of Financial Position
As at August 31, 2019
(Unaudited)

	2019	2018	<i>September 1</i> 2017
Assets			
Current			
Cash	34,313	17,111	2,477
Restricted cash (Note 5)	4,268	-	-
Marketable securities (Note 4)	20,000	-	-
Prepaid expenses and deposits	2,037	500	-
	60,618	17,611	2,477
Liabilities			
Current			
Accounts payable and accruals	4,595	-	-
Deferred contributions (Note 5)	4,268	-	-
Deferred program fees	3,520	-	-
	12,383	-	-
Net Assets			
Dedicated court fund (Note 6)	41,243	11,243	-
Unrestricted	6,992	6,368	2,477
	48,235	17,611	2,477
	60,618	17,611	2,477

Approved on behalf of the Board of Directors

 Director

The accompanying notes are an integral part of these financial statements

Pickleball Regina Inc.
Statement of Operations
For the year ended August 31, 2019
(Unaudited)

	2019	2018
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Revenue		
Program fees	51,835	25,121
Tournaments	28,779	12,156
Training	10,749	-
New Horizons for Seniors Program grant	9,482	12,075
Membership fees	3,960	4,058
Social activities	3,015	-
Other	975	7,465
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	108,795	60,875
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Expenses		
Facility rental/program	34,938	14,395
Tournament	15,984	9,434
New Horizons for Seniors Program grant	9,482	12,215
Training and education	8,640	-
Office supplies	4,883	873
Social activities	2,969	3,408
Supplies	483	2,945
Annual general meeting	423	-
Repairs and maintenance	188	-
Storage rental	100	-
Bank charges and interest	66	111
PSI/PCO memberships transferred	15	2,360
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	78,171	45,741
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Excess of revenue over expenses	30,624	15,134
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The accompanying notes are an integral part of these financial statements

Pickleball Regina Inc.
Statement of Changes in Net Assets
For the year ended August 31, 2019
(Unaudited)

	<i>Dedicated court fund</i>	<i>Unrestricted</i>	2019	<i>2018</i>
Net assets, beginning of year	11,243	6,368	17,611	2,477
Excess of revenue over expenses	-	30,624	30,624	15,134
Interfund transfer (Note 6)	30,000	(30,000)	-	-
Net assets, end of year	41,243	6,992	48,235	17,611

The accompanying notes are an integral part of these financial statements

Pickleball Regina Inc.
Statement of Cash Flows
For the year ended August 31, 2019
(Unaudited)

	2019	2018
Cash provided by the following activities		
Operating		
Excess of revenue over expenses	30,624	15,134
Changes in working capital accounts		
Prepaid expenses and deposits	(1,537)	(500)
Accounts payable and accruals	4,595	-
Deferred contributions	4,268	-
Deferred program fees	3,520	-
	41,470	14,634
Investing		
Purchase of marketable securities	(20,000)	-
	21,470	14,634
Increase in cash resources	21,470	14,634
Cash resources, beginning of year	17,111	2,477
	38,581	17,111
Cash resources are composed of:		
Cash	34,313	17,111
Restricted cash	4,268	-
	38,581	17,111

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the organization

Pickleball Regina Inc. (the "Organization") was incorporated under The Non-profit Corporations Act of Saskatchewan. The Organization is the governing body for the sport of pickleball in the city of Regina, Saskatchewan.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Cash and restricted cash

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Marketable securities

Marketable securities are stated at fair value.

Revenue recognition

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

Revenue for all other streams are recorded on the accrual basis as earned.

Contributed services

Contributions of materials are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials are used in the normal course of the Organization's operations and would otherwise have been purchased.

Capital assets

Capital assets are expensed on acquisition. Capital assets held include computers and equipment. Under Canadian accounting standards for not-for-profit organizations, small organizations having average gross revenue for the current and preceding period of less than \$500,000 may choose to expense capital assets.

Financial instruments

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Corporation has irrevocably elected to subsequently measure marketable securities at fair value. All other financial instruments are subsequently measured at cost or amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

2. Significant accounting policies *(Continued from previous page)*

Financial asset impairment

The Organization assesses impairment of all of its financial assets measured at cost or amortized cost. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of revenue over expenses in the year the reversal occurs.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Income taxes

The Corporation is incorporated under The Non-Profit Corporations Act of Saskatchewan and as such is exempt from income taxes.

3. Impact of adopting accounting standards for not-for-profit organizations

These are the Organization's first financial statements prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). The accounting policies in Note 2 have been applied in preparing the financial statements for the year ended August 31, 2019, the comparative information for the year ended August 31, 2018, and the opening ASNPO statement of financial position as at September 1, 2017 (the Corporation's date of transition to ASNPO).

4. Marketable securities

	2019	2018
Conexus Credit Union GIC at 0.95% with a maturity date of September 20, 2019	10,000	-
Conexus Credit Union GIC at 1.20% with a maturity date of April 29, 2020	10,000	-
	20,000	-

Pickleball Regina Inc.
Notes to the Financial Statements
For the year ended August 31, 2019
(Unaudited)

5. Deferred contributions/Restricted cash

Deferred contributions consist of an unspent grant externally restricted for a delivery of the seniors program. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made. Changes in the deferred contribution balance are as follows:

	2019	2018
Amount received during the year	13,750	-
Less: Amount recognized as revenue during the year	(9,482)	-
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Balance, end of year	4,268	-

6. Interfund transactions

During the year, the Organization transferred \$30,000 (2018 - \$11,243) from unrestricted net assets to the Organization's dedicated court fund to accumulate money for the purposes of building/upgrading pickleball facilities.

7. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

8. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.