

**CANADIAN GIRLS BASEBALL
FINANCIAL STATEMENTS
YEAR ENDED NOVEMBER 30, 2020**

**CANADIAN GIRLS BASEBALL
INDEX TO FINANCIAL STATEMENTS
YEAR ENDED NOVEMBER 30, 2020**

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Revenues and Expenditures	4
Statement of Cash Flow	5
Notes to Financial Statements	6 - 9



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Director of Canadian Girls Baseball

We have reviewed the accompanying financial statements of Canadian Girls Baseball which comprise the statement of financial position as at November 30, 2020 and the statements of changes in net assets, revenues and expenditures and cash flow 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 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 for the Financial Statements

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Canadian Girls Baseball as at November 30, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

We draw attention to Note 1 to the financial statements which describes that Canadian Girls Baseball adopted Canadian accounting standards for not-for-profit organizations on December 1, 2019 with a transition date of December 1, 2018. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statements of financial position as at November 30, 2019 and December 1, 2018 and the statements of changes in net assets, revenues and expenditures and cash flow for the year ended November 30, 2019 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is neither audited nor reviewed.

Markham, Ontario



Chartered Professional Accountants
Licensed Public Accountants

CANADIAN GIRLS BASEBALL
STATEMENT OF FINANCIAL POSITION
NOVEMBER 30, 2020

	<i>November 30</i> 2020	<i>November 30</i> 2019	<i>December 1</i> 2018
ASSETS			
CURRENT			
Cash	\$ 21,890	\$ 24	\$ 26,141
Prepaid expenses	-	5,051	-
	\$ 21,890	\$ 5,075	\$ 26,141
LIABILITIES AND NET ASSETS			
CURRENT			
Accounts payable	\$ 5,462	\$ 15,279	\$ 15,114
LONG TERM			
Long term debt (Note 6)	40,000	-	-
	45,462	15,279	15,114
NET ASSETS			
General fund	(23,572)	(10,204)	11,027
	\$ 21,890	\$ 5,075	\$ 26,141

ON BEHALF OF THE BOARD

 Director

See notes to financial statements

CANADIAN GIRLS BASEBALL
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED NOVEMBER 30, 2020

	General Fund		Restricted Fund		2020	2019
NET ASSETS - BEGINNING OF YEAR	\$	(10,204)	\$	-	\$ (10,204)	\$ 11,027
Deficiency of revenues over operating expenses		(13,368)		-	(13,368)	(21,231)
NET ASSETS - END OF YEAR	\$	(23,572)	\$	-	\$ (23,572)	\$ (10,204)

CANADIAN GIRLS BASEBALL
STATEMENT OF REVENUES AND EXPENDITURES
YEAR ENDED NOVEMBER 30, 2020

	2020	2019
REVENUES		
Public grants	\$ 85,677	\$ -
Membership dues and fees	43,236	240,612
Sponsorships	5,487	56,560
Membership refunds	(8,616)	-
	125,784	297,172
OPERATING EXPENSES		
Management and administration fees (<i>Note 7</i>)	34,619	30,697
Employee salaries and sub contracts	24,424	84,508
Repairs, maintenance and capital purchases	17,925	109,421
Travel	15,430	12,425
Rental	9,953	17,937
Telephone and web hosting	6,774	11,779
Professional fees	6,512	1,916
Uniforms	6,470	10,179
Supplies	4,744	6,810
Interest and bank charges	3,850	8,792
Advertising and promotion	3,770	8,746
Office and general	2,116	4,269
Awards	1,791	4,662
Insurance	738	1,540
Training	36	770
Business taxes and licenses	-	3,952
	139,152	318,403
DEFICIENCY OF REVENUES OVER OPERATING EXPENSES	\$ (13,368)	\$ (21,231)

**CANADIAN GIRLS BASEBALL
STATEMENT OF CASH FLOW
YEAR ENDED NOVEMBER 30, 2020**

	2020	2019
Cash flows from operating activities		
Deficiency of revenues over operating expenses	\$ (13,368)	\$ (21,231)
Changes in non-cash working capital:		
Accounts payable	(9,817)	165
Prepaid expenses	5,051	(5,051)
	(4,766)	(4,886)
Cash flows from operating activities	(18,134)	(26,117)
Cash flows from financing activity		
Proceeds from CEBA loan	40,000	-
Cash flows from financing activity	40,000	-
INCREASE (DECREASE) IN CASH	21,866	(26,117)
CASH - BEGINNING OF YEAR	24	26,141
CASH - END OF YEAR	\$ 21,890	\$ 24

**CANADIAN GIRLS BASEBALL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED NOVEMBER 30, 2020**

1. FIRST TIME ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS

During the year the organization adopted Canadian accounting standards for not-for-profit organizations (ASNFP). These financial statements are the first prepared in accordance with these standards. The adoption of ASNFP had no impact on net assets as at December 1, 2018 or revenues and expenditures or cash flow for the year ended November 30, 2019 as previously reported in accordance with pre-changeover Canadian generally accepted accounting principles.

2. PURPOSE OF THE ORGANIZATION

Canadian Girls Baseball (the "organization") is a not-for-profit organization incorporated federally under the Canada Not-for-profit Corporations Act. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The organization operates a national baseball league for girls aged 4-16.

3. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations. Canadian accounting standards for not-for-profit organizations are part of Canadian generally accepted accounting principles (GAAP).

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Canadian Girls Baseball follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Cash and cash equivalents

The cash balance is primarily composed of cash accounts. No significant cash equivalents such as treasury bills are noted.

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**CANADIAN GIRLS BASEBALL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED NOVEMBER 30, 2020**

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Foreign currency translation

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Non-monetary assets have been translated at the rate of exchange prevailing at the date of transaction. Revenues and expenses have been translated at the average rates of exchange during the year, except for amortization, which has been translated at the same rate as the related assets.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Capital assets

The not-for-profit has elected to expense the purchase of all capital asset purchases made. There were no such transactions in the current year.

5. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of November 30, 2020.

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, credit card debt, and accounts payable.

(continues)

**CANADIAN GIRLS BASEBALL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED NOVEMBER 30, 2020**

5. FINANCIAL INSTRUMENTS (continued)

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The organization is mainly exposed to interest rate risk and currency risk.

(c) Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization is exposed to foreign currency exchange risk on cash held in U.S. dollars. The company does not use derivative instruments to reduce its exposure to foreign currency risk.

(d) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its credit card debt.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

6. LONG TERM DEBT

	2020	2019
CEBA government loan bearing no interest before December 31, 2022. If the entire \$40,000 loan balance is not repaid by December 31, 2022 the loan converts into a 3-year term loan at 5% annual interest, paid monthly and with the full payment due December 31, 2025. If 75% of the outstanding balance (\$30,000) is repaid before December 31, 2022 the remaining 25% \$10,000 will be forgiven.	\$ 40,000	\$ -
Amounts payable within one year	-	-
	\$ 40,000	\$ -

7. RELATED PARTY TRANSACTIONS

The organization paid one of its directors a total of \$9,783 (2019-\$6,313) in management fees. The transaction was recorded in the normal course of operations at the exchange amount.

8. ECONOMIC DEPENDENCE

The organization received 63% of its total revenues from two donors during the fiscal year.

**CANADIAN GIRLS BASEBALL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED NOVEMBER 30, 2020**

9. COVID-19

Uncertain economic conditions resulting from the COVID-19 pandemic may, in the short or long term, adversely impact demand for the organization's services, which could adversely impact the organization's financial performance. The duration and impact of the COVID-19 pandemic on the organization is unknown at this time. As such, it is not possible to reliably estimate the length and severity of COVID-19 related impacts on the financial results and operations of the organization.