

**NELSON SOCCER ASSOCIATION
INDEX TO UNAUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2024**

REVIEW ENGAGEMENT REPORT	PAGE 1
STATEMENT OF FINANCIAL POSITION	PAGE 2
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS	PAGE 3
STATEMENT OF CHANGES IN NET ASSETS	PAGE 4
STATEMENT OF CASH FLOWS	PAGE 5
NOTES TO FINANCIAL STATEMENTS	PAGES 6 - 14



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**C.COMISHIN &
ASSOCIATES INC.**

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Board of Directors Nelson Soccer Association

We have reviewed the accompanying financial statements of Nelson Soccer Association that comprise the balance sheet as at December 31, 2024 and the statements of operations and changes in net assets 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 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 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 the financial statements do not present fairly, in all material respects, the financial position of Nelson Soccer Association as at December 31, 2024, and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matter – Comparative Information

The financial statements for the year ended December 31, 2023 were compiled by another practitioner and were not subject to a review or an audit. We do not express a conclusion on those comparative figures.

C. Comishin & Associates Inc.

Chartered Professional Accountants

May 26, 2025
Nelson, BC



Members, Chartered Professional Accountants of British Columbia

**NELSON SOCCER ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024
REVIEW ENGAGEMENT REPORT**

2024

2023

ASSETS

CURRENT ASSETS

Cash	\$ 371,519	\$ 327,918
Restricted cash - field building	153,893	100,275
Accounts receivable (note 3)	7,029	5,792
Inventory	20,970	-
Prepaid expenses	21,109	5,874
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Total current assets	574,520	439,859
TANGIBLE CAPITAL ASSETS (note 4)	118,746	120,766
INTANGIBLE ASSETS (note 5)	282,999	282,999
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	\$ 976,265	\$ 843,624

LIABILITIES

CURRENT LIABILITIES

Accounts payable and accrued liabilities (note 6)	\$ 30,233	\$ 29,754
Bursary payable	13,216	10,820
Deferred Revenue (note 7)	106,939	95,585
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Total current liabilities	150,388	136,159

NET ASSETS

Investment in capital assets	401,745	403,765
Field building reserve (note 14)	153,893	100,275
Unrestricted net assets	270,239	203,425
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Total net assets	825,877	707,465
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	\$ 976,265	\$ 843,624

COMMITMENTS (note 9)

Approved on behalf of the Board of Directors:

_____ Director

_____ Director

**NELSON SOCCER ASSOCIATION
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024
REVIEW ENGAGEMENT REPORT**

	2024	2023
REVENUE (note 8)	\$ 1,124,497	\$ 977,624
EXPENSES		
AGM	1,907	1,940
		Advertising
279	158	
Amortization	14,420	16,399
Association dues	1,500	1,500
Awards and year end ceremonies	3,791	1,534
BCSA affiliation	12,326	28,539
Bursary	2,000	2,000
City league registration	2,730	1,900
Clinics	628	4,782
Coaching expenses	17,986	24,335
Coaching technical contract	60,000	63,000
Concession	13,219	5,103
Donated volunteer labour (note 13)	313,919	245,000
Equipment	5,583	3,690
Event costs	-	3,163
Field paint	7,215	4,804
Field rental	12,455	10,233
Indoor rental	-	5,800
Insurance and licenses	2,479	3,004
New field	-	21,242
Office supplies	22,403	8,523
Pictures	5,621	3,287
Player banquet food	7,159	8,706
Professional fees	10,794	5,666
Refereeing	23,040	21,661
Rent	35,875	35,875
Repairs and maintenance	15,157	5,877
School programs	-	880
Terry Walgren Memorial Tournament	20,232	9,482
Tournament registrations	28,122	30,580
Uniforms	78,231	85,906
Utilities	13,426	14,118
Wages and benefits	246,797	232,120
Website and registration costs	26,791	21,527
Total expenses	1,006,085	932,334
EXCESS REVENUE OVER EXPENSES FOR THE YEAR	118,412	45,290

**NELSON SOCCER ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024
REVIEW ENGAGEMENT REPORT**

	Investment In Capital Assets	Internally Restricted Reserves	Unrestricted	Total
Balance, beginning of year	\$ 403,765	\$ 100,275	\$ 203,425	\$ 707,465
Excess (deficiency) of revenue over expenses	(14,420)	-	132,832	118,412
Allocation of unrestricted funds	12,400	53,618	(66,018)	-
Balance, end of year	\$ 401,745	\$ 153,893	\$ 270,239	\$ 825,877

**NELSON SOCCER ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
REVIEW ENGAGEMENT REPORT**

	2024	2023
OPERATING ACTIVITIES		
Excess revenue over expenses for the year	\$ 118,412	\$ 45,290
Item not affecting cash - amortization	14,420	16,399
	132,832	61,689
Changes in non-cash working capital (note 10)	(23,213)	137,949
	109,619	199,638
FINANCING ACTIVITIES		
Repayment of long-term debt	-	(40,000)
INVESTING ACTIVITIES		
Tangible capital asset additions	(12,400)	-
INCREASE IN CASH	97,219	159,638
CASH, BEGINNING OF YEAR	428,193	268,555
CASH, END OF YEAR	\$ 525,412	\$ 428,193

**NELSON SOCCER ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2024
REVIEW ENGAGEMENT REPORT**

1. NATURE OF OPERATIONS

The Nelson Soccer Association is a non-profit community soccer association whose mission is to provide all soccer players, coaches, official and parents in the Nelson and area with programs and opportunities to learn, play and excel in the sport of soccer regardless of an aspect of their identity. The association aims to ensure that these opportunities are granted in a safe, inclusive, fun and supportive manner.

The Association incorporated on February 16, 2007 under the British Columbia Association Act and is exempt from income tax pursuant to paragraph 149 (1) (e) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Association follows the deferral method of accounting for contributions which includes registration fees, grants and donations. The operations of the Association are segregated into various funds as follows:

Unrestricted net assets comprise the excess of revenue over expenditures accumulated by the Association each year and are available for general purposes.

Invested in tangible capital assets represents the Association's net investment in tangible capital assets. The Association records amounts paid for the acquisition of tangible capital assets, principal repayments on loans incurred to acquire tangible capital assets and amortization of deferred contributions related to the purchase of tangible capital assets to this account. A reduction is charged against this account for proceeds from the sale of tangible capital assets, debt issued for the purchase of tangible capital assets, grants received for the purchase of tangible capital assets, and amortization.

The Field Building Reserve consists of internally restricted funds allocated annually by the Board of Directors to support the future maintenance and improvement of the field building. The reserve is held in a term deposit, and any interest earned is added to the reserve balance.

The organization's investment policy is approved by the Board of Directors and provides guidance for the prudent investment of funds not immediately required for operations. The policy aims to preserve capital, maintain liquidity to meet operational needs, and achieve a reasonable rate of return within acceptable risk parameters.

The organization is authorized to invest in fixed-income securities, guaranteed investment certificates (GICs), term deposits, and other low-risk instruments as permitted under provincial legislation applicable to not-for-profit organizations. Investments are reviewed periodically by the Board to ensure compliance with the policy and alignment with the organization's financial objectives and obligations.

Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions which affect the reported amount of assets and liabilities, the 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. Significant items subject to such estimates and assumptions include the valuation of accounts receivable, estimated useful lives of tangible capital assets, and accrued liabilities included in accounts payable. Actual results could differ from those estimates.

**NELSON SOCCER ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2024
REVIEW ENGAGEMENT REPORT**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

The Association considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Association accounts for the following as financial instruments:

- cash and cash equivalents
- accounts payable and accrued liabilities

A financial asset or liability is recognized when the Association becomes party to contractual provisions of the instrument.

Financial assets or liabilities obtained in arm's length transactions are initially measured at cost, with the exception of certain instruments which are initially measured at fair value. The Association does not have any financial assets or financial liabilities in related party transaction which are initially measured at fair value.

Inventory is recorded at the lower of cost and net realizable value, with cost determined using the first-in, first-out method.

Gains or losses arising on initial measurement differences are generally recognized in net income when the transaction is in the normal course of operations, and in equity when then transaction is not in the normal course of operations, subject to certain exceptions.

Financial assets and financial liabilities recognized in related party transaction are subsequently measured based on how the Association initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets. Financial instruments initially measured at fair value, of which the Association has none, would be subsequently measured at amortized cost or fair value based on certain conditions.

The Association subsequently measures all of its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, government remittance payable, and long-term debt.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

Tangible Capital Assets

Tangible capital assets are recorded at cost less amortization which is provided using the diminishing balance method over the estimated useful life of the asset.

Furniture & Equipment	20% diminishing balance
Computer equipment	55% diminishing balance
Leasehold improvements	Diminishing balance over ten years
Turf	8% diminishing balance

**NELSON SOCCER ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2024
REVIEW ENGAGEMENT REPORT**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

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

Registration fees are recognized as revenue in the year which the related expenses are incurred. Revenue from concession sales are recognized at the point of sale. Rental revenue is recognized over the period of occupancy provided that collection is reasonably assured. Other revenues are recognized in the year they relate to provided that collection is reasonably assured.

Allocation of expenses

Expenses are allocated to various programs based on management's estimate of the programs' proportionate share of the actual expenditure.

**NELSON SOCCER ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2024
REVIEW ENGAGEMENT REPORT**

3. ACCOUNTS RECEIVABLE

	2024	2023
Trade receivable	\$ 2,000	\$ 5,792
Interest receivable	5,029	-
	\$ 7,029	\$ 5,792

4. TANGIBLE CAPITAL ASSETS

	2024		2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 2,992	\$ 1,646	\$ -	\$ -
Furniture & equipment	14,887	6,981	5,479	5,005
Leasehold improvements	132,298	124,466	132,298	122,509
Turf	127,028	25,366	127,028	16,525
	277,205	158,459	264,805	144,039
Cost less accumulated amortization	\$ 118,746		\$ 120,766	

**NELSON SOCCER ASSOCIATION
NOTES TO FINANCIAL STATEMENTS (Continued)
AS AT DECEMBER 31, 2024
REVIEW ENGAGEMENT REPORT**

5. INTANGIBLE ASSETS

On August 22, 2014, the Organization acquired certain assets of Soccer Quest Coaching (Nelson) Inc. through an asset purchase agreement. The acquisition included the business as a going concern, non-competition agreement and assets. The excess of the total consideration paid over the fair value of the identifiable net assets acquired was recognized as goodwill.

The total goodwill recognized was \$277,999 (2023 – \$277,999) and non-competition agreement was \$5,000 (2023 - \$5,000). The Organization does not amortize goodwill but tests it for impairment annually or more frequently if events or changes in circumstances indicate that it may be impaired.

As at December 31, 2024, no indicators of impairment were identified, and no impairment losses were recorded during the year (2023 – \$nil).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
Trade and accrued liabilities	\$ 22,713	\$ 24,491
GST payable	2,098	1,899
Payroll taxes	4,658	2,740
WCB	764	624
	\$ 30,233	\$ 29,754

7. DEFERRED REVENUE

Under generally accepted accounting principles, revenues of not-for profit organizations which are linked to expenses incurred for service delivery activities are normally matched with those expenses in the accounting period in which the expenses are recognized. In some instances the Association receives revenues in advance of services being delivered. In such cases, the Association considers the revenue to be unearned until such a time it can be properly matched with the expenses for which the funding was received. Deferred revenue included registration and sponsorship fees paid in advance.

**NELSON SOCCER ASSOCIATION
NOTES TO FINANCIAL STATEMENTS (Continued)
AS AT DECEMBER 31, 2024
REVIEW ENGAGEMENT REPORT**

8. SCHEDULE OF REVENUES

	2024	2023
Registration fees	\$ 502,019	\$ 426,756
Donations - volunteer labour (note 13)	313,919	245,000
BC Gaming Branch	61,500	55,000
Rep tournament fees	26,128	51,291
Whitecaps revenue	47,385	50,363
Uniform sales	31,459	31,513
Terry Walgren Memorial Tournament	43,300	30,400
Uniform sponsors	44,521	26,550
Sponsors	-	10,993
Concession income	19,131	10,735
Facility rentals	12,998	8,124
Rep program	-	7,700
Camps and special events	-	7,130
Grants	1,649	5,000
Signage	4,984	3,600
Banquet income	3,975	2,805
Bursary income	2,000	2,000
BCSA referee reimbursement	-	1,860
Advertising	875	600
Interest and sundry income	8,654	204
	\$ 1,124,497	\$ 977,624

**NELSON SOCCER ASSOCIATION
NOTES TO FINANCIAL STATEMENTS (Continued)
AS AT DECEMBER 31, 2024
REVIEW ENGAGEMENT REPORT**

9. COMMITMENTS

The Association entered into a ten year lease with the Corporation of the City of Nelson for the lease of the building located at 308 Cedar Street Nelson, BC V1L 2B9 on October 10, 2014. Minimum lease payments under this contract are 5% of the assessed value of the Premises each year. There is a option to renew for another ten year term after the term of the lease. The lease is currently continuing on a month to month basis. Total lease payments for 2024 were \$ 35,875 (2023 \$35,875).

10. CHANGES IN NON-CASH WORKING CAPITAL

	2024	2023
Accounts receivable	\$(1,237)	\$ 39,567
Inventory	(20,970)	-
Prepaid expenses	(15,235)	7,476
Accounts payable	479	(7,881)
Bursary payable	2,396	3,610
Deferred revenue	11,354	95,177
	\$(23,213)	\$ 137,949

11. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash, term deposits, accounts receivable, accounts payable and accrued liabilities. The Association has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include credit risk, concentration risk, liquidity risk and market risk.

(a) Liquidity risk:

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association manages liquidity risk by maintaining sufficient cash and cash equivalents.

(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: interest rate risk, price risk and foreign currency risk. The Association's financial instruments are transacted in Canada and do not include publicly traded investments which results in little exposure to price risk or foreign currency risk. The Association's main market risk exposure is therefore interest rate risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk on its bank accounts and long-term debt.

(c) Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Association is exposed to credit risk on its receivables from customers. Credit risk associated with cash is minimized by ensuring that these financial assets are placed with major financial institutions.

(d) Concentration risk:

Concentration risk refers to the potential for significant financial loss arising from exposure to a significant group of counterparties that share similar economic characteristics or are engaged in similar activities. The Association is exposed to concentration risk primarily through its funding received from the provincial government.

**NELSON SOCCER ASSOCIATION
NOTES TO FINANCIAL STATEMENTS (Continued)
AS AT DECEMBER 31, 2024
REVIEW ENGAGEMENT REPORT**

12. REMUNERATION

Employees exceeding \$75,000 in remuneration

Executive Director	\$ 78,451
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13. CONTRIBUTED SERVICES

The Association receives a significant amount of volunteer support each year to help deliver its soccer programs and operate concessions. These services are integral to the Association's operations and would otherwise have been purchased. The fair value of these services was estimated based on equivalent local wage rates and amount to \$ 313,919 (2023 - \$245,000).

Other volunteer contributions, such as program delivery and event support, have not been recognized due to the difficulty of determining their fair value.

14. FIELD BUILDING RESERVE

The Field Building Reserve consists of internally restricted funds allocated annually by the Board of Directors to support the future maintenance and improvement of the field building. The reserve is held in a term deposit, and any interest earned is added to the reserve balance.

15. COMPARATIVE FIGURES

The comparative figures presented for the year ended December 31, 2023 were prepared on a compilation basis and were not subject to a review engagement. As a result, these figures may not be comparable in all respects to the financial information for the current year, which has been reviewed in accordance with Canadian accounting standards for not-for-profit organizations. Certain amounts in the prior year have been reclassified to conform with the presentation adopted in the current year.