
MISSISSAUGA SOUTHWEST BASEBALL ASSOCIATION
FINANCIAL STATEMENTS
SEPTEMBER 30, 2024



CAPSTICK
McCOLLUM
& ASSOCIATES

INDEPENDENT AUDITORS' REPORT

To the Members of the Mississauga Southwest Baseball Association

Qualified Opinion

We have audited the financial statements of the Mississauga Southwest Baseball Association (the "Association"), which comprise the statement of financial position as at September 30, 2024 and the statements of operations and surplus - general fund and bingo fund, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effect of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Association as at September 30, 2024, 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.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Mississauga Southwest Baseball Association derives part of its revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Association. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, (deficit) excess of revenue over expenses and cash flows from operations for the years ended September 30, 2024 and 2023, current assets as at September 30, 2024 and 2023, and fund balances as at September 30, 2024 and 2023. The audit opinion on the financial statements for the year ended September 30, 2024 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibility under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Other Matters

The financial statements of the Association for the year ended September 30, 2023, were audited by another public accounting firm who expressed a qualified opinion on those financial statements on October 26, 2023.



INDEPENDENT AUDITORS' REPORT

(continued)

Responsibilities of Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Association ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



CAPSTICK
McCOLLUM
& ASSOCIATES

INDEPENDENT AUDITORS' REPORT

(continued)

Auditors' Responsibilities for the Audit of the Financial Statements - continued

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CAPSTICK MCCOLLUM & ASSOCIATES

Chartered Professional Accountants
Licensed Public Accountants

Oakville, Ontario
November 21, 2024

MISSISSAUGA SOUTHWEST BASEBALL ASSOCIATION
STATEMENT OF FINANCIAL POSITION

SEPTEMBER 30. **2024** **2023**

ASSETS

CURRENT

Cash - general	\$ 150,368	\$ 148,341
- bingo - restricted	16,713	13,199
Accounts receivable - restricted	1,668	1,414
Due from General Fund - restricted	16,005	16,005
	<hr/>	<hr/>
	\$ 184,754	\$ 178,959

LIABILITIES

CURRENT

Accounts payable and accrued liabilities	\$ 20,504	\$ 19,643
Deferred revenue	6,775	1,775
Due to Bingo Fund	16,005	16,005
	<hr/>	<hr/>
	43,284	37,423

NET ASSETS

GENERAL FUND	107,084	110,918
BINGO FUND	34,386	30,618
	<hr/>	<hr/>
	141,470	141,536
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	\$ 184,754	\$ 178,959

Approved on behalf of the Board:

Director 

Director 

Subject to accompanying notes to the financial statements

MISSISSAUGA SOUTHWEST BASEBALL ASSOCIATION
STATEMENT OF OPERATIONS AND SURPLUS - GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30,	2024	2023
REVENUE		
Registration fees	\$ 344,324	\$ 353,575
Clinics	2,875	3,895
Concession	39,364	38,232
Other	21,059	13,145
	407,622	408,847
EXPENSES		
Advertising and marketing	9,968	3,801
Bank charges and interest	6,606	5,964
Building maintenance	44,939	34,560
Clinic and player development	4,200	-
Concession expenses	36,544	34,242
Equipment	36,235	24,277
Fundraising	7,197	6,225
Insurance	6,792	7,896
Licenses, fees and permits	13,209	8,776
Office and general	11,899	9,399
Professional fees	7,780	6,780
Tournaments and trophies	15,067	12,291
Umpire expenses	65,995	83,804
Uniforms	78,071	75,244
User fees - City of Mississauga	60,541	60,856
Utilities	6,413	7,858
	411,456	381,973
(DEFICIT) EXCESS OF REVENUE OVER EXPENSES	(3,834)	26,874
GENERAL FUND - beginning	110,918	84,044
GENERAL FUND	\$ 107,084	\$ 110,918

Subject to accompanying notes to the financial statements

**MISSISSAUGA SOUTHWEST BASEBALL ASSOCIATION
BINGO FUND**

FOR THE YEAR ENDED SEPTEMBER 30,	2024	2023
REVENUE		
Bingo lottery	\$ 29,566	\$ 29,317
EXPENSES		
Uniforms	11,065	23,132
User fees - City of Mississauga	14,733	14,385
	<hr/> 25,798	<hr/> 37,517
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	3,768	(8,200)
BINGO FUND - beginning	30,618	38,818
BINGO FUND	\$ 34,386	\$ 30,618

Subject to accompanying notes to the financial statements

MISSISSAUGA SOUTHWEST BASEBALL ASSOCIATION
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30,	2024	2023
CASH PROVIDED FROM (USED FOR):		
OPERATING ACTIVITIES		
(Deficit) excess of revenue over expenses - general fund	\$ (3,834)	\$ 26,874
Excess (deficit) of revenue over expenses - bingo fund	3,768	(8,200)
Items not requiring a cash payment		
	(66)	18,674
Changes in non-cash working capital balances		
Accounts receivable	(254)	1,010
Prepaid expenses	-	300
Accounts payable and accrued liabilities	861	3,345
Deferred revenue	5,000	(1,605)
	5,607	3,050
NET INCREASE IN CASH	5,541	21,724
CASH - beginning	161,540	139,816
CASH	\$ 167,081	\$ 161,540
COMPRISED OF:		
Cash - general	\$ 150,368	\$ 148,341
- bingo (restricted)	16,713	13,199
	\$ 167,081	\$ 161,540

Subject to accompanying notes to the financial statements

MISSISSAUGA SOUTHWEST BASEBALL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2024

NATURE OF ORGANIZATION

The Mississauga Southwest Baseball Association Inc. (the "Association"), a not-for-profit organization, was incorporated without share capital by Supplementary Letters Patent under the Companies Act of the Province of Ontario. The objectives of the Association shall be (1) to foster, promote, and teach its members to play amateur baseball to the best of their abilities and to promote the maximum opportunity and best possible environment for all eligible members within which to participate and play up to the limit of facilities and resources available; (2) to encourage and develop team and community spirit within its members and to teach the values of co-operation, tolerance, perseverance, integrity and a sense of fair play to the betterment of the physical, mental and social well being; (3) to promote an enjoyable and healthy outlet for the energies of its members while encouraging a high level of physical fitness and extolling the virtues of competition and quest for excellence; and (4) to sponsor, promote and engage in such athletic, social, fund-raising and other activities as may contribute to the finances of the Association and further its objectives.

The Association is exempt from corporate income taxes under Section 149(1) of the Income Tax Act on excess of revenue over expenditures for the year since it is a not-for-profit organization.

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, which is in accordance with Canadian generally accepted accounting principles.

b) Fund accounting

The accounts of the Association are maintained in accordance with the principles of "fund accounting" under the deferral method. Resources are classified for accounting and reporting purposes into funds according to the activity or objective specified by determinations made by the Board of Directors. The specific purpose of each fund is explained below:

The general fund reports the revenues and expenses from the Association's general operations.

MISSISSAUGA SOUTHWEST BASEBALL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2024

1. SIGNIFICANT ACCOUNTING POLICIES - continued

b) Fund accounting - continued

The bingo fund is externally restricted. Lottery proceeds are to be used to cover the costs of baseball and softball equipment, baseball and softball uniforms for youth athletes, baseball and softball diamond user fees and umpire fees.

c) Cash and cash equivalents

The Association's policy is to disclose bank balances under cash (general and restricted).

d) Inventory

The Association's policy is to expense the purchase of uniforms and equipment as incurred.

e) Financial instruments

The Association initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Association subsequently measures all its financial assets and liabilities at cost or amortized cost.

Financial assets measured at amortized cost include cash (general and restricted) and receivables.

Financial liabilities measured at amortized cost include accounts payable, accrued liabilities and deferred revenue.

f) Revenue recognition

Revenue from registrations and tournaments are recognized in the year in which the programs are held. Sponsorship, clinics, rent and other fundraising activities are recognized as received.

Registration fees, tournament fees and clinics fees received in the current year for programs held in the subsequent year are recorded as deferred revenue.

MISSISSAUGA SOUTHWEST BASEBALL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2024

1. SIGNIFICANT ACCOUNTING POLICIES - continued

g) Contributed goods and services

The Board of Directors and others contribute volunteer services to the Association in carrying out its operating activities. Because of the difficulty in determining the fair value of these contributed services, they are not recognized in the financial statements.

Contributed goods, including donations-in-kind, are recorded as donations at fair value when the fair value can be reasonably estimated and when goods are used in the normal course of operations and would have otherwise been purchased. Contributed goods are recorded at nominal value when it does not meet the above criteria.

h) Use of estimates

The preparation of the Association's 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary they are reported in operations in the period in which they become known. Actual results could differ from those estimates made.

2. RELATED PARTY TRANSACTIONS

No remuneration was paid to board members during the year.

3. MAJOR COMMITMENTS

The Association operates from its premises at 3195 The Collegeway in the City of Mississauga and has a Management and Operation Agreement with the City of Mississauga which commenced on May 1, 2015 and expires on April 30, 2025. In exchange for managing and operating the clubhouse facility on behalf of the City of Mississauga, the Association receives a reduced rent of \$1 per annum. The agreement can be terminated by the City of Mississauga with a one year written notice given to the Association.

MISSISSAUGA SOUTHWEST BASEBALL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2024

4. FINANCIAL INSTRUMENTS

The significant financial risks to which the Association is exposed to is credit risk and liquidity risk.

a) Credit risk

Credit risk refers to the risk that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party or if there is a concentration of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions.

The Association is exposed to credit risk in the event of non-performance by counterparties in connection and concentration with its accounts receivable. The Association does not obtain collateral or other security to support the accounts receivable subject to credit risk but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance.

b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Association is exposed to liquidity risk mainly in respect to its accounts payable and accrued liabilities. The Association meets its liquidity requirements by preparing and monitoring detailed forecast of cash flows from operations and holding assets that can be readily converted into cash.

5. COMPARATIVE FIGURES

The comparative figures were audited by another public accounting firm. Certain comparative figures have been reclassified to correspond to presentation adapted in the current year.