

**SOUTH END UNITED SOCCER
CLUB INC.
(Operating as Winnipeg South
End United Soccer Club)**

**Financial Statements
For the year ended January 31, 2011**

**SOUTH END UNITED SOCCER CLUB INC.
(Operating as Winnipeg South End United Soccer Club)**

Year Ended January 31, 2011

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REVIEW ENGAGEMENT REPORT

To the Board of Directors of
South End United Soccer Club Inc.

We have reviewed the statement of financial position of South End United Soccer Club Inc. as at January 31, 2011 and the statements of operations and changes in net assets for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

BDO Canada LLP

Chartered Accountants

Winnipeg, Manitoba
April 25, 2012

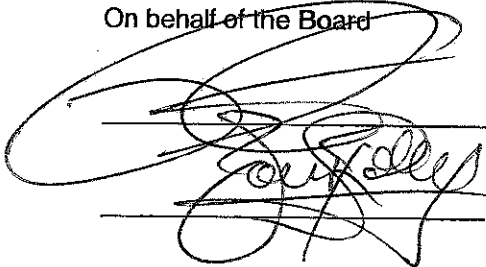
SOUTH END UNITED SOCCER CLUB INC.
(Operating as Winnipeg South End United Soccer Club)
(Incorporated without share capital under the laws of Manitoba)

Statement of Financial Position, January 31, 2011

	<u>2011</u>	<u>2010</u>
ASSETS		
Current		
Cash	\$ 16,258	\$ 11,278
Accounts receivable	848	9,056
Prepaid expenses	<u>2,678</u>	<u>4,727</u>
	19,784	25,061
Capital assets (Note 3)	<u>2,570</u>	<u>9,824</u>
	<u>\$ 22,354</u>	<u>\$ 34,885</u>
LIABILITIES		
Current		
Accounts payable	<u>\$ 25,279</u>	<u>\$ 83,273</u>
NET ASSETS		
Invested in capital assets	2,570	9,824
Unrestricted	<u>(5,495)</u>	<u>(58,212)</u>
	<u>(2,925)</u>	<u>(48,388)</u>
	<u>\$ 22,354</u>	<u>\$ 34,885</u>

See accompanying notes

On behalf of the Board



Director

Director

SOUTH END UNITED SOCCER CLUB INC.
(Operating as Winnipeg South End United Soccer Club)

Statement of Operations

Year Ended January 31, 2011

	2011	2010
Revenue		
Registration fees		
Camps	\$ 32,477	\$ 38,567
Elite training program	1,325	7,500
Indoor season, competitive	100,176	75,290
Indoor season, recreational	123,950	123,000
Outdoor season, competitive	169,022	161,032
Outdoor season, recreational	173,593	182,360
Referees	995	1,060
Summer Academy / All-Stars / DTC	29,654	52,394
Summer Mini Academy	-	2,525
Tryouts	13,355	10,020
Winter Academy / All-Stars / DTC	29,478	60,415
Winter Mini Academy	-	7,946
	674,025	722,109
Less: Refunds	4,413	16,430
	669,612	705,679
Other	11,134	7,205
	680,746	712,884
Expenses		
Administration		
Amortization	7,254	7,254
Bank charges	6,072	10,513
Honorariums	17,001	27,472
Insurance	669	414
Office and sundry	7,532	11,934
Professional fees	7,799	3,996
Rent	15,120	15,120
Salaries	63,225	143,377
Senior team	7,269	36,969
Telephone	1,845	2,500
Travel	3,181	5,266
Website	5,141	773
	142,108	265,588
Banquets	13,559	14,741
Coaching fees	41,691	-
Fields and facilities	66,059	62,111
Other	-	3,992
Program fees	295,166	291,836
Promotions	3,757	18,276
Referees	32,316	31,481
Soccer uniforms and equipment	32,341	56,302
Training and certificates	8,286	13,336
	635,283	757,663
Revenue over (under) expenses	\$ 45,463	\$ (44,779)

See accompanying notes

SOUTH END UNITED SOCCER CLUB INC.
(Operating as Winnipeg South End United Soccer Club)

Statement of Changes in Net Assets

Year Ended January 31, 2011

	<u>Invested in Capital Assets</u>	<u>Unrestricted</u>	<u>Total</u>	
			<u>2011</u>	<u>2010</u>
Balance, beginning of year	\$ 9,824	\$ (58,212)	\$ (48,388)	\$ (3,609)
Revenue over (under) expenses	<u>(7,254)</u>	<u>52,717</u>	<u>45,463</u>	<u>(44,779)</u>
Balance, end of year	<u>\$ 2,570</u>	<u>\$ (5,495)</u>	<u>\$ (2,925)</u>	<u>\$ (48,388)</u>

See accompanying notes

SOUTH END UNITED SOCCER CLUB INC.
(Operating as Winnipeg South End United Soccer Club)

Notes to Financial Statements

January 31, 2011

1. Entity definition

South End United Soccer Club Inc. is a not-for-profit organization incorporated without share capital under the Corporations Act of Manitoba on November 9, 2005. As such, it is exempt from paying income taxes.

The organization's function is to develop and operate a complete soccer program and league for soccer players of any age including providing programs under which players, coaches, referees and parents associated with the club can increase their knowledge and skills while having fun playing the world's most popular sport.

2. Summary of significant accounting policies

Capital assets

Capital assets are stated at cost less accumulated amortization. Amortization of assets is provided on a straight-line basis over their estimated useful lives as follows:

Furnishings and equipment	5 years
Sign	5 years
Tent	5 years
Nets	3 years

Revenue recognition

Registration fee revenue is recognized when charged and collection is reasonably assured.

Voluntary services

The organization is dependent upon the voluntary services of a large number of people. The value of these services is not recognized in these financial statements.

Financial instruments

The organization as part of its operations carries a number of financial instruments. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest or credit risks arising from these financial instruments. The carrying values of financial instruments presented in the financial statements are reasonable estimates of fair value. As true for all estimates, actual fair value could differ from these estimates, and if so, any differences would be accounted for in the period in which they become known.

SOUTH END UNITED SOCCER CLUB INC.
(Operating as Winnipeg South End United Soccer Club)

Notes to Financial Statements

January 31, 2011

2. Summary of significant accounting policies (continued)

Financial instruments (continued)

All financial instruments are classified as either held to maturity, loans and receivables, held for trading, available for sale or liabilities other than held for trading. Financial instruments are initially recorded at fair value.

Assets available for sale and both assets and liabilities designated as held for trading are subsequently remeasured at fair value at each period end date. All other financial assets and liabilities are carried at cost or amortized cost using the effective rate method where applicable.

The organization made the following classifications:

Cash	Held for trading
Accounts receivable	Loans and receivable
Accounts payable	Liabilities other than held for trading

Use of estimates

Financial statements prepared in conformity with Canadian generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

New accounting pronouncements

In December 2010, the Accounting Standards Board and the Public Sector Accounting Board (the "Boards") issued new standards for not-for-profit organizations ("NPOs") as follows:

For non-government (private sector) NPOs, they have a choice of:

1. International Financial Reporting Standards; or
2. Accounting Standards for NPOs (which is essentially the Accounting Standards for Private Enterprises with the current 4400 series of NPO specific standards added with some minor changes).

The Boards require NPOs to adopt their respective standards for year ends beginning on or after January 1, 2012; early adoption is allowed. Until the date of transition to the new standards, all NPOs will continue to follow the current Canadian Institute of Chartered Accountants Handbook – Accounting Part V – Pre-Changeover Standards.

SOUTH END UNITED SOCCER CLUB INC.
(Operating as Winnipeg South End United Soccer Club)

Notes to Financial Statements

January 31, 2011

3. Capital assets

	2011		
	Cost	Accumulated Amortization	Net
Furnishings and equipment	\$ 9,485	\$ 9,485	\$ -
Sign	2,173	2,173	-
Tent	1,074	858	216
Nets	<u>14,123</u>	<u>11,769</u>	<u>2,354</u>
	<u>\$ 26,855</u>	<u>\$ 24,285</u>	<u>\$ 2,570</u>

	2010		
	Cost	Accumulated Amortization	Net
Furnishings and equipment	\$ 9,485	\$ 7,588	\$ 1,897
Sign	2,173	1,737	436
Tent	1,074	644	430
Nets	<u>14,123</u>	<u>7,062</u>	<u>7,061</u>
	<u>\$ 26,855</u>	<u>\$ 17,031</u>	<u>\$ 9,824</u>

4. Statement of cash flows

A statement of cash flows has not been prepared as the cash flows are evident from the statement of financial position and the statements of operations and changes in net assets.

5. Capital disclosures

The organization considers its capital to be its net assets. The organization's objectives when managing its capital are to provide sufficient funds to cover annual operating expenses related to operating soccer programs for players of any ages. Annual budgets are developed and monitored to ensure the organization's capital is maintained at an appropriate level.