

**THE ALBERTA LACROSSE ASSOCIATION**  
**Financial Statements**  
**For The Year Ended August 31, 2020**

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## INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT

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To the Members of The Alberta Lacrosse Association

We have reviewed the accompanying financial statements of The Alberta Lacrosse Association (the Association) which comprise the statement of financial position as at August 31, 2020, and the statements of operations, 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.

### *Practitioners' 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 the financial statements do not present fairly, in all material respects, the financial position of The Alberta Lacrosse Association as at August 31, 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.

**METRIX GROUP LLP**

Chartered Professional Accountants

Edmonton, Alberta  
October 26, 2020



**THE ALBERTA LACROSSE ASSOCIATION****Statement of Financial Position****As at August 31, 2020**

	2020	2019
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents (Note 2)	\$ 199,668	\$ 530,828
Accounts receivable	78,078	128,545
Inventory	14,674	-
Prepaid expenses	41,772	29,889
	<u>334,192</u>	689,262
INVESTMENTS (Note 3)	<u>150,000</u>	-
	<u>\$ 484,192</u>	<u>\$ 689,262</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 5)	\$ 9,901	\$ 141,051
Deferred revenue	18,124	6,150
Deferred contributions (Note 6)	46,749	31
	<u>74,774</u>	147,232
Callable debt due thereafter (Note 4)	40,000	-
	<u>114,774</u>	147,232
<b>NET ASSETS</b>		
Unrestricted net assets	371,940	318,363
Restricted net assets (deficit) (Note 7)	(2,522)	223,667
	<u>369,418</u>	542,030
	<u>\$ 484,192</u>	<u>\$ 689,262</u>

**ON BEHALF OF THE BOARD:**\_\_\_\_\_  
*Director*\_\_\_\_\_  
*Director*

The accompanying notes are an integral part of these financial statements.

**THE ALBERTA LACROSSE ASSOCIATION****Statement of Operations****For The Year Ended August 31, 2020**

	<b>2020</b>	2019
<b>REVENUE</b>		
Fees	\$ 173,207	\$ 726,664
Grants (Note 8)	47,485	32,479
All Other Programming (Schedule 6)	34,226	27,045
Casino	22,662	50,409
School program	15,575	16,212
Appeals and fines	5,564	1,250
Annual General Meeting attendance fees	4,800	3,810
Alberta Summer Games (Schedule 1)	2,413	75
Team Alberta (Schedule 4)	1,710	197,335
Provincials (Schedule 2)	1,600	99,529
	<u>309,242</u>	<u>1,154,808</u>
<b>EXPENSES</b>		
Personnel	210,309	291,069
Administrative Expenses (Schedule 5)	180,946	169,989
All Other Programming (Schedule 6)	133,073	325,256
Provincials (Schedule 2)	1,534	142,528
Nationals (Schedule 3)	126	21,493
Alberta Summer Games (Schedule 1)	-	(120)
Team Alberta (Schedule 4)	1,087	189,268
	<u>527,075</u>	<u>1,139,483</u>
<b>DEFICIENCY OF REVENUE OVER EXPENSES</b>	<u>(217,833)</u>	<u>15,325</u>
<b>OTHER INCOME</b>		
Government assistance (Note 9)	42,833	-
Interest	2,388	-
	<u>45,221</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<u>\$ (172,612)</u>	<u>\$ 15,325</u>

The accompanying notes are an integral part of these financial statements.

**THE ALBERTA LACROSSE ASSOCIATION****Statement of Changes in Net Assets****For The Year Ended August 31, 2020**

	Unrestricted Net Assets	Restricted Net Assets	<b>2020</b>	2019
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 318,363	\$ 223,667	<b>\$ 542,030</b>	\$ 526,705
Excess (deficiency) of revenue over expenses	(172,612)	-	<b>(172,612)</b>	15,325
Transfers	226,189	(226,189)	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 371,940</b>	<b>\$ (2,522)</b>	<b>\$ 369,418</b>	<b>\$ 542,030</b>

The accompanying notes are an integral part of these financial statements.

**THE ALBERTA LACROSSE ASSOCIATION****Statement of Cash Flows****For The Year Ended August 31, 2020**

	<u>2020</u>	<u>2019</u>
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses	<u>\$ (172,612)</u>	<u>\$ 15,325</u>
Changes in non-cash working capital:		
Accounts receivable	50,467	147,676
Inventory	(14,674)	-
Accounts payable and accrued liabilities	(131,150)	(68,892)
Deferred contributions	46,718	(50,409)
Prepaid expenses	(11,883)	(747)
Goods and Services Tax payable	11,974	6,150
	<u>(48,548)</u>	<u>33,778</u>
	<u>(221,160)</u>	<u>49,103</u>
<b>INVESTING ACTIVITY</b>		
Purchase of investments	<u>(150,000)</u>	<u>-</u>
<b>FINANCING ACTIVITY</b>		
Proceeds from callable debt	<u>40,000</u>	<u>-</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(331,160)</b>	<b>49,103</b>
Cash and cash equivalents - beginning of year	<u>530,828</u>	<u>481,725</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><b>\$ 199,668</b></u>	<u><b>\$ 530,828</b></u>

The accompanying notes are an integral part of these financial statements.

# THE ALBERTA LACROSSE ASSOCIATION

## Notes to Financial Statements

Year Ended August 31, 2020

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### PURPOSE OF THE ORGANIZATION

The Alberta Lacrosse Association (the "Association") exists to promote and develop the great game of lacrosse in all its disciplines and its heritage throughout Alberta and to provide participants with diverse lacrosse opportunities for the pursuit of excellence and enjoyment. The Association is a not-for-profit organization incorporated under the *Alberta Societies Act* and as such is exempt from Income Tax.

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

#### Cash and cash equivalents

Cash and cash equivalents are comprised of items that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash and cash equivalents have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

#### Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution. When a tangible capital asset no longer contributes to the Association's ability to provide services or the value of future economic benefits associated with the tangible capital asset is less than its net book value, the carrying value of the tangible capital asset is reduced to reflect the decline in the asset's value.

Tangible capital assets costing in excess of \$5,000 are recorded at cost and amortized over their useful lives on a straight-line basis. The Association has not purchased any items that have exceeded the \$5,000 capitalization threshold, therefore, there are no tangible capital assets reported.

#### Revenue recognition

The Alberta Lacrosse Association 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. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Fees revenue is recognized as revenue in the period to which the fees relate to.

#### Contributed services

Volunteers contribute a significant number of hours per year to assist the Association in carrying out its service delivery activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

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# THE ALBERTA LACROSSE ASSOCIATION

## Notes to Financial Statements

Year Ended August 31, 2020

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

#### Financial instruments

The Association initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instruments.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and cash equivalents and accounts receivable.

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

The Association has no financial assets measured at fair value.

#### *Impairment*

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

#### 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 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.

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### 2. CASH AND CASH EQUIVALENTS

	<u>2020</u>	<u>2019</u>
Operating account	\$ 152,704	\$ 409,504
Casino account	46,749	31
Team Alberta account	215	121,293
	<u>\$ 199,668</u>	<u>\$ 530,828</u>

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### 3. INVESTMENTS

Investments consist of a Guaranteed Investment Certificate bearing interest at a rate of 1.000% per annum and maturing in June 2021.

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# THE ALBERTA LACROSSE ASSOCIATION

## Notes to Financial Statements

Year Ended August 31, 2020

### 4. CALLABLE DEBT

Canada Emergency Business Account loan. If the loan is not repaid by December 31, 2020, monthly interest-only payments are required commencing January 31, 2023 at a rate of 5%. Up to a maximum of \$10,000 will be forgiven if the Association meets certain terms of the loan and the loan is repaid by December 31, 2022. The loan must be repaid by December 31, 2025.

	2020	2019
	<u>\$ 40,000</u>	<u>\$ -</u>

### 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Trade payables and accrued liabilities  
Government remittances

	2020	2019
	<u>\$ 5,586</u>	<u>\$ 136,685</u>
	<u>4,315</u>	<u>4,366</u>
	<u>\$ 9,901</u>	<u>\$ 141,051</u>

### 6. DEFERRED CONTRIBUTIONS

Deferred contributions represents externally restricted casino funding that is related to expenses to be incurred in a future year. Changes in the deferred contributions balance are as follows:

	2020	2019
Balance, beginning of year	\$ 31	\$ 50,440
Add: Contributions received	79,644	-
Less: Amounts recognized as revenue	<u>(32,926)</u>	<u>(50,409)</u>
	<u>\$ 46,749</u>	<u>\$ 31</u>

### 7. INTERNALLY RESTRICTED NET ASSETS

	2019	Additions	Deletions	2020
Capital projects	\$ 100,000	\$ -	\$ 100,000	\$ -
Calgary Winter Lacrosse	100,000	-	100,000	-
Team Alberta	23,667	-	26,189	<u>(2,522)</u>
	<u>\$ 223,667</u>	<u>\$ -</u>	<u>\$ 226,189</u>	<u>\$ (2,522)</u>

# THE ALBERTA LACROSSE ASSOCIATION

## Notes to Financial Statements

Year Ended August 31, 2020

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### 8. GRANTS

	<u>2020</u>	<u>2019</u>
Alberta Sport Connection	\$ 42,485	\$ 32,479
Government of Alberta small business grant	5,000	-
	<u>\$ 47,485</u>	<u>\$ 32,479</u>

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### 9. GOVERNMENT ASSISTANCE

Due to a decrease in revenue as a result of COVID-19, the Association was eligible for the following government assistance to cover a portion of employee wages effective March 15, 2020.

	<u>2020</u>	<u>2019</u>
Canada Emergency Wage Subsidy	\$ 40,815	\$ -
Temporary wage subsidy	2,017	-
	<u>\$ 42,832</u>	<u>\$ -</u>

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### 10. FINANCIAL INSTRUMENTS

It is management's opinion that the Association is not exposed to significant interest, market, currency or other price risk through its financial instruments. The following analysis provides information about the Association's risk exposure and concentration as of August 31, 2020.

#### Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk from customers. Where necessary, an allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts. The Association has a significant number of customers which minimizes concentration of credit risk.

#### 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 this risk mainly in respect of its receipt of funds from its members and other related sources and accounts payable and accrued liabilities.

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### 11. UNCERTAINTY DUE TO COVID-19

On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization and on March 17, 2020, the Province of Alberta declared a public health emergency. Many businesses and individuals in a vast array of sectors have experienced an economic loss due to COVID-19. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, an estimate of any potential financial impact cannot be made at this time.

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**THE ALBERTA LACROSSE ASSOCIATION**

**Alberta Summer Games**

*(Schedule 1)*

**For the Year Ended August 31, 2020**

*(Unaudited)*

	<b>2020</b>	2019
<b>REVENUE</b>		
Fees	\$ 2,413	\$ 75
<b>EXPENSES</b>		
Floor rental	-	(120)
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 2,413</b>	<b>\$ 195</b>

The accompanying notes are an integral part of these financial statements.

**THE ALBERTA LACROSSE ASSOCIATION****Provincials****(Schedule 2)****For the Year Ended August 31, 2020***(Unaudited)*

	<b>2020</b>	2019
<b>REVENUE</b>		
Fees	\$ 1,100	\$ 84,320
Fines	500	3,200
Donations and sponsorships	-	12,009
	<u>1,600</u>	<u>99,529</u>
<b>EXPENSES</b>		
Equipment	1,513	3,669
Trophies and awards	368	16,568
Floor rental	-	45,274
Lodging and meals	-	9,654
Internet and web page	-	5,391
Referee and officials	-	55,700
Mileage	-	3,578
First Aid/Trainers	-	544
Photocopying	-	311
Meeting space rental	-	216
Appeal fees	-	(300)
Field fees and rental	(347)	1,923
	<u>1,534</u>	<u>142,528</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<u>\$ 66</u>	<u>\$ (42,999)</u>

The accompanying notes are an integral part of these financial statements.

**THE ALBERTA LACROSSE ASSOCIATION**

**Nationals**

*(Schedule 3)*

**For the Year Ended August 31, 2020**

*(Unaudited)*

	<b>2020</b>	2019
<b>EXPENSES</b>		
Promotion	\$ 126	\$ -
Referee fees and accommodation	-	2,567
Fees paid out	-	2,200
Travel and conferences	-	16,726
	<b>\$ 126</b>	<b>\$ 21,493</b>

The accompanying notes are an integral part of these financial statements.

**THE ALBERTA LACROSSE ASSOCIATION****Team Alberta****(Schedule 4)****For the Year Ended August 31, 2020***(Unaudited)*

	<b>2020</b>	2019
<b>REVENUE</b>		
Fees - national deposits reimbursements	\$ 1,710	\$ (25,547)
Fees - Bantam Female	-	50,000
Fees - Junior U19 Women's Field	-	46,150
Fees - Midget Field U16	-	36,800
Donations and sponsorships received	-	27,682
Fundraising	-	7,250
Fees - Midget	-	55,000
	<b>1,710</b>	<b>197,335</b>
<b>EXPENSES</b>		
Postage and delivery	<b>730</b>	275
Bank charges	<b>167</b>	-
Sterling Backcheck	<b>79</b>	184
Communications and promotion	<b>79</b>	20,277
Travel and conferences	<b>32</b>	143,056
Team equipment	-	2,817
Field rentals	-	2,422
Floor rental	-	5,172
Honorariums	-	10,000
Referees and officials	-	134
Trophies and awards	-	131
Trainers and first aid	-	4,800
	<b>1,087</b>	<b>189,268</b>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 623</b>	<b>\$ 8,067</b>

The accompanying notes are an integral part of these financial statements.

**THE ALBERTA LACROSSE ASSOCIATION****Administrative Expenses****(Schedule 5)****For the Year Ended August 31, 2020***(Unaudited)*

	<b>2020</b>	2019
<b>ADMINISTRATIVE EXPENSES</b>		
Travel and conferences	\$ 79,925	\$ 66,491
Office rental and utilities	33,531	38,466
Professional fees	18,501	8,712
Mileage	13,764	13,626
Telephone	6,281	9,509
Insurance and bonds	5,181	4,160
Photocopying	4,704	3,152
Office equipment	3,826	6,292
Internet and web page	3,228	4,635
Office supplies	3,087	5,266
Bank charges	2,709	2,711
Meeting space rental	1,917	1,210
Postage and delivery	1,708	2,085
Training and development	1,036	2,219
Appreciation	818	640
Late fees and interest	655	397
Parking	75	418
	<b>\$ 180,946</b>	<b>\$ 169,989</b>

The accompanying notes are an integral part of these financial statements.

**THE ALBERTA LACROSSE ASSOCIATION****All Other Programming****(Schedule 6)****For the Year Ended August 31, 2020***(Unaudited)*

	<b>2020</b>	2019
<b>REVENUE</b>		
Fees	\$ 29,584	\$ 24,545
Donations/sponsorships received	4,185	2,500
Lacrosse TV	457	-
	<b>34,226</b>	27,045
<b>EXPENSES</b>		
Insurance - players	44,946	57,758
Communications and promotion	23,800	36,279
Fees	16,958	89,717
Clinicians and coach development	15,100	21,670
Equipment	10,029	13,965
Travel	9,613	41,791
Field fees and rentals	9,232	5,002
Floor rentals	6,532	25,698
Mileage paid out	6,390	21,830
Bad debts	1,694	-
Gifts and cards	512	6,631
Referees	326	22,320
Trophies and awards	312	379
First aid	-	529
Meeting space rental	-	2,534
Honourariums	-	1,250
Resource materials	(12,371)	(22,097)
	<b>133,073</b>	325,256
<b>DEFICIENCY OF REVENUE OVER EXPENSES</b>	<b>\$ (98,847)</b>	<b>\$ (298,211)</b>

The accompanying notes are an integral part of these financial statements.