

**THE ALBERTA LACROSSE ASSOCIATION**  
**Financial Statements**  
**For The Year Ended August 31, 2022**

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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, 2022, 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, 2022, 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  
January 11, 2023



**THE ALBERTA LACROSSE ASSOCIATION****Statement of Financial Position****As at August 31, 2022**

	<b>2022</b>	2021
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents ( <i>Note 2</i> )	\$ 298,542	\$ 194,084
Accounts receivable	151,746	120,073
Inventory	-	14,674
Prepaid expenses	17,083	50,192
	<b>467,371</b>	379,023
INVESTMENTS ( <i>Note 3</i> )	<b>301,030</b>	300,000
INTANGIBLE ASSETS ( <i>Note 4</i> )	<b>23,547</b>	-
	<b>\$ 791,948</b>	<b>\$ 679,023</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities ( <i>Note 5</i> )	\$ 51,126	\$ 37,913
Deferred revenue	-	39,223
Deferred contributions ( <i>Note 7</i> )	1,252	37,476
	<b>52,378</b>	114,612
Callable debt due thereafter ( <i>Note 6</i> )	<b>60,000</b>	60,000
	<b>112,378</b>	174,612
<b>NET ASSETS</b>		
Unrestricted net assets	<b>630,540</b>	455,381
Restricted net assets ( <i>Note 8</i> )	<b>49,030</b>	49,030
	<b>679,570</b>	504,411
	<b>\$ 791,948</b>	<b>\$ 679,023</b>

**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, 2022**

	<b>2022</b>	2021
<b>REVENUE</b>		
Fees	\$ 510,683	\$ 243,505
Grants (Note 9)	159,577	148,462
Nationals (Schedule 1)	131,751	-
Provincials (Schedule 2)	37,854	650
Fundraising	27,332	-
Team Alberta (Schedule 3)	11,653	-
School program	3,780	1,400
Casino	1,154	45,559
Appeals and fines	300	1,000
	<u>884,084</u>	<u>440,576</u>
<b>EXPENSES</b>		
All Other Programming (Schedule 4)	271,787	140,683
Personnel	180,646	174,964
Administrative Expenses (Schedule 5)	112,795	52,594
Team Alberta (Schedule 3)	28,987	-
Provincials (Schedule 2)	29,321	-
Nationals (Schedule 1)	87,444	-
	<u>710,980</u>	<u>368,241</u>
<b>EXCESS OF REVENUE OVER EXPENSES BEFORE OTHER INCOME</b>	<u>173,104</u>	<u>72,335</u>
<b>OTHER INCOME</b>		
Interest	2,055	1,405
Government assistance (Note 10)	-	61,253
	<u>2,055</u>	<u>62,658</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<u>\$ 175,159</u>	<u>\$ 134,993</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, 2022**

	Unrestricted Net Assets	Restricted Net Assets	<b>2022</b>	2021
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 455,381	\$ 49,030	<b>\$ 504,411</b>	\$ 369,418
Excess of revenue over expenses	175,159	-	<b>175,159</b>	134,993
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 630,540</b>	<b>\$ 49,030</b>	<b>\$ 679,570</b>	<b>\$ 504,411</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, 2022**

	<b>2022</b>	2021
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 175,159	\$ 134,993
Item not affecting cash:		
Amortization of intangible assets ( <i>Note 4</i> )	<u>5,887</u>	-
	<u>181,046</u>	<u>134,993</u>
Changes in non-cash working capital:		
Accounts receivable	(31,673)	(41,995)
Inventory	14,674	-
Accounts payable and accrued liabilities	13,213	28,012
Deferred contributions	(36,224)	(9,273)
Prepaid expenses	33,109	(8,420)
Deferred revenue	<u>(39,223)</u>	<u>21,099</u>
	<u>(46,124)</u>	<u>(10,577)</u>
	<u>134,922</u>	<u>124,416</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of intangible assets	(29,434)	-
Purchase of investments	<u>(1,030)</u>	<u>(150,000)</u>
Cash flow used by investing activities	<u>(30,464)</u>	<u>(150,000)</u>
<b>FINANCING ACTIVITY</b>		
Proceeds from callable debt	-	<u>20,000</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>104,458</b>	<b>(5,584)</b>
Cash and cash equivalents - beginning of year	<u>194,084</u>	<u>199,668</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 298,542</b>	<b>\$ 194,084</b>

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

# THE ALBERTA LACROSSE ASSOCIATION

## Notes to Financial Statements

For the Year Ended August 31, 2022

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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.

#### Intangible assets

The website development costs are being amortized on a straight-line basis over their estimated useful life of five years.

#### 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.

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# THE ALBERTA LACROSSE ASSOCIATION

## Notes to Financial Statements

For the Year Ended August 31, 2022

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

#### 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.

#### 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>2022</u>	<u>2021</u>
Operating account	\$ 297,290	\$ 192,585
Casino account	1,252	1,326
Team Alberta account	-	173
	<u>\$ 298,542</u>	<u>\$ 194,084</u>

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# THE ALBERTA LACROSSE ASSOCIATION

## Notes to Financial Statements

For the Year Ended August 31, 2022

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### 3. INVESTMENTS

Investments consist of a Guaranteed Investment Certificate bearing interest at a rate of 1.800% per annum and maturing in June 2023.

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### 4. INTANGIBLE ASSETS

	<u>2022</u>	<u>2021</u>
Website development costs	\$ 29,434	\$ -
Accumulated amortization	(5,887)	-
	<u>\$ 23,547</u>	<u>\$ -</u>

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### 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2022</u>	<u>2021</u>
Trade payables and accrued liabilities	\$ 42,853	\$ 34,525
Government remittances	5,228	3,388
Vacation payable	3,045	-
	<u>\$ 51,126</u>	<u>\$ 37,913</u>

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### 6. CALLABLE DEBT

	<u>2022</u>	<u>2021</u>
Canada Emergency Business Account loan. If the loan is not repaid by December 31, 2023, monthly interest-only payments are required commencing January 31, 2024 at a rate of 5%. Up to a maximum of \$20,000 will be forgiven if the Association meets certain terms of the loan and the loan is repaid by December 31, 2023. The loan must be repaid by December 31, 2025.	<u>\$ 60,000</u>	<u>\$ 60,000</u>

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### 7. DEFERRED CONTRIBUTIONS

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

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 37,476	\$ 46,749
Add: Contributions received	123,427	238,012
Less: Amounts recognized as revenue	(159,651)	(247,285)
	<u>\$ 1,252</u>	<u>\$ 37,476</u>

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# THE ALBERTA LACROSSE ASSOCIATION

## Notes to Financial Statements

For the Year Ended August 31, 2022

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### 8. INTERNALLY RESTRICTED NET ASSETS

	2021	Additions	Deletions	2022
Team Alberta	\$ 49,030	\$ -	\$ -	\$ 49,030

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### 9. GRANTS

	2022	2021
Canada Lacrosse Association	\$ 60,121	\$ 85,000
Canada Games ( <i>Schedule 1</i> )	31,150	5,850
Sport, Physical Activity and Recreation	30,000	46,612
Government of Alberta	23,306	-
Canada Heritage Legacy	15,000	16,000
Government of Alberta small business relaunch	-	(5,000)
	<u>\$ 159,577</u>	<u>\$ 148,462</u>

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### 10. 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 and ending October 23, 2021.

	2022	2021
Canada Emergency Wage Subsidy	\$ -	\$ 61,253

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### 11. 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, 2022.

#### 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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**THE ALBERTA LACROSSE ASSOCIATION****Nationals***(Schedule 1)***For the Year Ended August 31, 2022***(Unaudited)*

	<b>2022</b>	2021
<b>REVENUE</b>		
Fees	\$ 125,605	\$ -
Donations and sponsorships	6,050	-
Lacrosse TV	96	-
	<b>131,751</b>	-
<b>EXPENSES</b>		
Travel and conferences	57,000	-
Floor rental	20,000	-
Registration fees	9,000	-
Fundraising	1,444	-
	<b>87,444</b>	-
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>\$ 44,307</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, 2022***(Unaudited)*

	<b>2022</b>	2021
<b>REVENUE</b>		
Fees	<b>\$ 37,854</b>	\$ 650
<b>EXPENSES</b>		
Referee and officials	<b>10,167</b>	-
Floor rental	<b>10,000</b>	-
Lodging and meals	<b>8,000</b>	-
Trophies and awards	<b>1,154</b>	-
	<b>29,321</b>	-
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 8,533</b>	\$ 650

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

**THE ALBERTA LACROSSE ASSOCIATION****Team Alberta***(Schedule 3)***For the Year Ended August 31, 2022***(Unaudited)*

	<b>2022</b>	2021
<b>REVENUE</b>		
Team Alberta tryout fees	<b>\$ 11,653</b>	\$ -
<b>EXPENSES</b>		
Team equipment	<b>21,059</b>	-
Honorariums	<b>3,500</b>	-
Food and refreshments	<b>2,428</b>	-
Trainers and first aid	<b>1,000</b>	-
Floor rental	<b>1,000</b>	-
	<b>28,987</b>	-
<b>DEFICIENCY OF EXPENSES OVER REVENUE</b>	<b>\$ (17,334)</b>	\$ -

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

**THE ALBERTA LACROSSE ASSOCIATION****All Other Programming****(Schedule 4)****For the Year Ended August 31, 2022***(Unaudited)*

	<b>2022</b>	2021
<b>EXPENSES</b>		
Insurance - players	\$ 76,721	\$ 65,954
Fees	54,326	13,975
Floor rentals	32,111	27,758
Communications and promotion	48,863	15,740
Equipment	21,548	(410)
Clinicians and coach development	15,386	2,750
Referees	13,840	-
First aid	9,084	523
Honourariums	7,406	-
Resource materials	7,170	(215)
Bad debts	1,416	(881)
Mileage paid out	-	8,877
Travel	-	4,736
Trophies and awards	(16,084)	1,876
	<b>\$ 271,787</b>	<b>\$ 140,683</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, 2022***(Unaudited)*

	<b>2022</b>	<b>2021</b>
<b>ADMINISTRATIVE EXPENSES</b>		
Travel and conferences	\$ 32,665	\$ 6,696
Mileage	22,512	2,879
Office supplies	11,584	952
Office rental and utilities	10,579	18,013
Professional fees	9,882	7,109
Insurance and bonds	6,539	5,138
Amortization of intangible assets <i>(Note 4.)</i>	5,887	-
Internet and web page	2,803	3,509
Bank charges	2,325	1,787
Telephone	1,614	3,154
Meeting space rental	1,579	2,003
Late fees and interest	1,340	-
Photocopying	787	575
Office equipment	703	-
Postage and delivery	604	779
Appreciation	560	-
Communications and promotion	550	-
Parking	178	-
Training and development	104	-
	<b>\$ 112,795</b>	<b>\$ 52,594</b>

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