

THE ALBERTA LACROSSE ASSOCIATION
Financial Statements
For The Year Ended August 31, 2023

INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT

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, 2023, 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, 2023, 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
November 1, 2023



THE ALBERTA LACROSSE ASSOCIATION

Statement of Financial Position

As at August 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash and cash equivalents (<i>Note 2</i>)	\$ 796,248	\$ 599,572
Accounts receivable	172,835	151,746
Prepaid expenses	12,097	17,083
	981,180	768,401
INTANGIBLE ASSETS (<i>Note 3</i>)	17,661	23,547
	\$ 998,841	\$ 791,948
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (<i>Note 4</i>)	\$ 133,529	\$ 51,126
Deferred contributions (<i>Note 6</i>)	106,898	1,252
	240,427	52,378
Callable debt due thereafter (<i>Note 5</i>)	60,000	60,000
	300,427	112,378
NET ASSETS		
Unrestricted net assets	692,187	630,540
Restricted net assets (<i>Note 7</i>)	6,227	49,030
	698,414	679,570
	\$ 998,841	\$ 791,948

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, 2023**

	2023	2022
REVENUE		
Fees	\$ 550,101	\$ 510,683
Team Alberta (<i>Schedule 1</i>)	277,798	11,653
Grants (<i>Note 8</i>)	97,416	159,577
Provincials (<i>Schedule 2</i>)	46,450	37,854
School program	19,258	3,780
Nationals (<i>Schedule 3</i>)	14,343	131,751
Alberta Summer Games (<i>Schedule 4</i>)	12,150	-
Annual General Meeting attendance fees	1,125	-
Appeals and fines	650	300
Fundraising	-	27,332
Casino	(11,682)	1,154
	<u>1,007,609</u>	<u>884,084</u>
EXPENSES		
All Other Programming (<i>Schedule 5</i>)	258,028	260,570
Team Alberta (<i>Schedule 1</i>)	257,016	28,987
Personnel	236,611	180,646
Administrative Expenses (<i>Schedule 6</i>)	118,523	112,795
Provincials (<i>Schedule 2</i>)	82,777	40,538
Alberta Summer Games (<i>Schedule 4</i>)	27,264	-
Nationals (<i>Schedule 3</i>)	18,974	87,444
	<u>999,193</u>	<u>710,980</u>
EXCESS OF REVENUE OVER EXPENSES BEFORE OTHER INCOME	8,416	173,104
OTHER INCOME		
Interest	10,428	2,055
EXCESS OF REVENUE OVER EXPENSES	\$ 18,844	\$ 175,159

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, 2023

	Unrestricted Net Assets	Restricted Net Assets	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 630,540	\$ 49,030	\$ 679,570	\$ 504,411
Excess of revenue over expenses	18,844	-	18,844	175,159
Transfers	42,803	(42,803)	-	-
NET ASSETS - END OF YEAR	\$ 692,187	\$ 6,227	\$ 698,414	\$ 679,570

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, 2023**

	2023	2022
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 18,844	\$ 175,159
Item not affecting cash:		
Amortization of intangible assets (<i>Note 3</i>)	5,887	5,887
	<u>24,731</u>	<u>181,046</u>
Changes in non-cash working capital:		
Accounts receivable	(21,089)	(31,673)
Inventory	-	14,674
Accounts payable and accrued liabilities	82,402	13,213
Deferred contributions	105,646	(36,224)
Prepaid expenses	4,986	33,109
Deferred revenue	-	(39,223)
	<u>171,945</u>	<u>(46,124)</u>
	<u>196,676</u>	<u>134,922</u>
INVESTING ACTIVITY		
Purchase of intangible assets	-	(29,434)
INCREASE IN CASH FLOW	196,676	105,488
Cash and cash equivalents - beginning of year	<u>599,572</u>	<u>494,084</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 796,248	\$ 599,572

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, 2023

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.

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.

(continues)

THE ALBERTA LACROSSE ASSOCIATION

Notes to Financial Statements

For the Year Ended August 31, 2023

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.

2. CASH AND CASH EQUIVALENTS

	<u>2023</u>	<u>2022</u>
Operating account	\$ 366,682	\$ 297,290
Guaranteed Investment Certificates	342,668	301,030
Casino account	86,898	1,252
	<u>\$ 796,248</u>	<u>\$ 599,572</u>

The Guaranteed Investment Certificates bear interest at rates ranging between 1.80% to 4.75% and maturing in September and October 2023.

THE ALBERTA LACROSSE ASSOCIATION

Notes to Financial Statements

For the Year Ended August 31, 2023

3. INTANGIBLE ASSETS

	<u>2023</u>	<u>2022</u>
Website development costs	\$ 29,434	\$ 29,434
Accumulated amortization	<u>(11,773)</u>	<u>(5,887)</u>
	<u>\$ 17,661</u>	<u>\$ 23,547</u>

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2023</u>	<u>2022</u>
Trade payables and accrued liabilities	\$ 128,150	\$ 42,853
Government remittances	4,929	5,228
Vacation payable	450	3,045
	<u>\$ 133,529</u>	<u>\$ 51,126</u>

5. CALLABLE DEBT

	<u>2023</u>	<u>2022</u>
Canada Emergency Business Account loan. Interest only payments are required monthly commencing January 31, 2024 at a rate of 5% if the loan is not repaid by January 18, 2024. The principal amount of the loan must be repaid by December 31, 2026. A portion of the loan, up to \$20,000, will be forgiven if the Company meets certain terms of the loan and the loan is repaid by January 18, 2024.	<u>\$ 60,000</u>	<u>\$ 60,000</u>

6. 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>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 1,252	\$ 37,476
Add: Contributions received	205,290	123,427
Less: Amounts recognized as revenue	<u>(99,644)</u>	<u>(159,651)</u>
	<u>\$ 106,898</u>	<u>\$ 1,252</u>

THE ALBERTA LACROSSE ASSOCIATION

Notes to Financial Statements

For the Year Ended August 31, 2023

7. INTERNALLY RESTRICTED NET ASSETS

	2022	Additions	Deletions	2023
Team Alberta	\$ 49,030	\$ -	\$ 42,803	\$ 6,227

8. GRANTS

	2023	2022
Sport, Physical Activity and Recreation	\$ 71,612	\$ 30,000
Minister of Culture - Lacrosse Roots	20,000	-
Canadian Parks and Recreation Association	5,804	-
Canada Lacrosse Association	-	60,121
Canada Games (<i>Schedule 1</i>)	-	31,150
Government of Alberta	-	23,306
Canada Heritage Legacy	-	15,000
	<u>\$ 97,416</u>	<u>\$ 159,577</u>

9. 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, 2023.

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.

10. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

THE ALBERTA LACROSSE ASSOCIATION**Team Alberta****(Schedule 1)****For the Year Ended August 31, 2023***(Unaudited)*

	2023	2022
REVENUE		
Team fees	\$ 216,930	\$ -
Sponsorships	26,250	-
Team Alberta tryout fees	23,700	11,653
Camp fees	11,550	-
Miscellaneous fees	(632)	-
	<u>277,798</u>	<u>11,653</u>
EXPENSES		
Travel and conferences	187,197	-
Floor rental	14,000	1,000
Team equipment	13,456	21,059
Fees paid out	9,504	-
Trainers and first aid	9,411	1,000
Honorariums	8,640	3,500
Field rentals	7,508	-
Mileage	7,300	-
Food and refreshments	-	2,428
	<u>257,016</u>	<u>28,987</u>
EXCESS (DEFICIENCY) OF EXPENSES OVER REVENUE	<u>\$ 20,782</u>	<u>\$ (17,334)</u>

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

THE ALBERTA LACROSSE ASSOCIATION**Provincials***(Schedule 2)***For the Year Ended August 31, 2023***(Unaudited)*

	2023	2022
REVENUE		
Fees	\$ 46,450	\$ 37,854
EXPENSES		
Referee and officials	48,678	21,384
Floor rental	18,800	10,000
Trophies and awards	16,828	1,154
Lodging and meals	-	8,000
Equipment	(1,529)	-
	82,777	40,538
EXCESS OF REVENUE OVER EXPENSES	\$ (36,327)	\$ (2,684)

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

THE ALBERTA LACROSSE ASSOCIATION**Nationals****(Schedule 3)****For the Year Ended August 31, 2023***(Unaudited)*

	2023	2022
REVENUE		
Fees	\$ 14,343	\$ 125,605
Donations and sponsorships	-	6,050
Lacrosse TV	-	96
	14,343	131,751
EXPENSES		
Travel and conferences	15,737	57,000
Registration fees	2,500	9,000
Fundraising	737	1,444
Floor rental	-	20,000
	18,974	87,444
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (4,631)	\$ 44,307

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

THE ALBERTA LACROSSE ASSOCIATION**Alberta Summer Games****(Schedule 4)****For the Year Ended August 31, 2023***(Unaudited)*

	2023	2022
REVENUE		
Zone Team Development and Selection grant <i>(Note 8)</i>	\$ 12,150	\$ -
EXPENSES		
Participant fees	11,440	-
Equipment - jerseys	11,026	-
Floor rental	2,500	-
Referee fees	2,298	-
	27,264	-
DEFICIENCY OF EXPENSES OVER REVENUE	\$ (15,114)	\$ -

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

THE ALBERTA LACROSSE ASSOCIATION**All Other Programming****(Schedule 5)****For the Year Ended August 31, 2023***(Unaudited)*

	2023	2022
EXPENSES		
Fees	\$ 92,575	\$ 54,326
Insurance - players	76,644	76,721
Equipment	44,135	21,548
Clinicians and coach development	12,319	15,386
Floor rentals	11,231	32,111
Referees	9,856	2,623
Communications and promotion	7,708	48,863
Travel	3,560	-
Honourariums	-	7,406
Resource materials	-	7,170
Bad debts	-	1,416
First aid	-	9,084
Trophies and awards	-	(16,084)
	\$ 258,028	\$ 260,570

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

THE ALBERTA LACROSSE ASSOCIATION**Administrative Expenses****(Schedule 6)****For the Year Ended August 31, 2023***(Unaudited)*

	2023	2022
ADMINISTRATIVE EXPENSES		
Professional fees	\$ 19,097	\$ 9,882
Travel and conferences	18,319	32,665
Training and development	16,676	104
Mileage	12,153	22,512
Internet and web page	9,090	2,803
Bank charges	7,840	2,325
Late fees and interest	7,510	1,340
Office supplies	7,262	11,584
Office rental and utilities	6,126	10,579
Amortization of intangible assets (Note 3.)	5,887	5,887
Appreciation	2,513	560
Insurance and bonds	1,942	6,539
Meeting space rental	1,270	1,579
Office equipment	1,103	703
Telephone	737	1,614
Postage and delivery	675	604
Communications and promotion	242	550
Parking	81	178
Photocopying	-	787
	\$ 118,523	\$ 112,795

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