

COCHRANE MINOR HOCKEY ASSOCIATION
Financial Statements
Year Ended April 30, 2022

COCHRANE MINOR HOCKEY ASSOCIATION

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Year Ended April 30, 2022

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Cochrane Minor Hockey Association

I have reviewed the accompanying financial statements of Cochrane Minor Hockey Association (the organization) that comprise the statement of financial position as at April 30, 2022, and the statements of revenues and expenditures, 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 (ASNPO), 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.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me 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, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Cochrane Minor Hockey Association as at April 30, 2022, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Cochrane, Alberta
May 12, 2023

Rhonda S. Cockwill Prof. Corp

CHARTERED PROFESSIONAL ACCOUNTANT

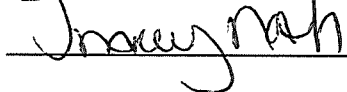
COCHRANE MINOR HOCKEY ASSOCIATION

Statement of Financial Position

April 30, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 309,630	\$ 484,585
Accounts receivable	9,523	-
Prepaid expenses	505	9,296
	<u>319,658</u>	<u>493,881</u>
CAPITAL ASSETS (Note 5)	24,012	45,437
RESTRICTED CASH (Note 6)	12,572	4,577
	<u>\$ 356,242</u>	<u>\$ 543,895</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 12,534	\$ 4,392
Employee deductions payable	1,577	-
Unearned revenue (Note 7)	16,502	270,628
	<u>30,613</u>	<u>275,020</u>
NET ASSETS	<u>325,629</u>	<u>268,875</u>
	<u>\$ 356,242</u>	<u>\$ 543,895</u>

ON BEHALF OF THE BOARD

 _____ Director

_____ Director

See notes to financial statements

COCHRANE MINOR HOCKEY ASSOCIATION

Statement of Revenues and Expenditures

Year Ended April 30, 2022

	2022	2021
REVENUES		
Registration fees	\$ 1,173,651	\$ 335,336
Camps and clinic income	127,150	81,125
Donations and fundraising	15,060	17,467
Other income	1,641	335
Interest income	516	1,019
	<u>1,318,018</u>	<u>435,282</u>
EXPENDITURES		
Advertising, AGM & meeting expense	6,505	7,193
Amortization	21,425	21,425
Donations & sponsorship	-	2,500
Interest and bank charges	24,248	20,532
Photography & medals	11,357	-
League association fees	74,857	32,363
Office	22,233	8,767
Coaching & clinic costs	123,275	57,508
Evaluations	125,571	73,267
Referees	75,031	9,570
Player and goalie development	87,886	50,703
Professional fees	4,815	4,725
Ice rental	530,782	175,985
Salaries and administration fees	99,060	93,229
Sports equipment & jerseys	54,219	26,194
	<u>1,261,264</u>	<u>583,961</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 56,754</u>	<u>\$ (148,679)</u>

COCHRANE MINOR HOCKEY ASSOCIATION
Statement of Changes in Net Assets
Year Ended April 30, 2022

	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 268,875	\$ 417,554
EXCESS OF REVENUES OVER EXPENDITURES	56,754	(148,679)
NET ASSETS - END OF YEAR	\$ 325,629	\$ 268,875

COCHRANE MINOR HOCKEY ASSOCIATION

Statement of Cash Flows

Year Ended April 30, 2022

	2022	2021
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 56,754	\$ (148,679)
Item not affecting cash:		
Amortization of capital assets	21,425	21,425
	<u>78,179</u>	<u>(127,254)</u>
Changes in non-cash working capital:		
Accounts receivable	(9,523)	109,582
Accounts payable	8,142	(2,278)
Unearned revenue	(254,126)	254,758
Prepaid expenses	8,791	(9,296)
Employee deductions payable	1,577	-
	<u>(245,139)</u>	<u>352,766</u>
Cash flow from (used by) operating activities	<u>(166,960)</u>	<u>225,512</u>
FINANCING ACTIVITY		
Restricted cash	(7,995)	(4,565)
INCREASE (DECREASE) IN CASH FLOW	(174,955)	220,947
Cash - beginning of year	484,585	263,638
CASH - END OF YEAR	\$ 309,630	\$ 484,585
CASH CONSISTS OF:		
Cash	<u>\$ 309,630</u>	<u>\$ 484,585</u>

See notes to financial statements

COCHRANE MINOR HOCKEY ASSOCIATION

Notes to Financial Statements

Year Ended April 30, 2022

1. PURPOSE OF THE ORGANIZATION

Cochrane Minor Hockey Association (the "organization") is a not-for-profit organization incorporated provincially under the Societies Act of Alberta. As a registered charity the organization is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The organization operates to provide a fun, fair, safe and challenging environment for hockey and ringette players in the Cochrane area.

2. BASIS OF PRESENTATION

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Cochrane Minor Hockey 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.

Fees for services related to programs are recognized as revenue when such programs are delivered. All other sources of revenue are recognized when received or receivable if the amount to be received can be reasonably estimated and the collection is reasonably assured.

Grants are recorded as revenue at the time the requirements if any, related to the terms of the grant are fulfilled.

Casino proceeds are recognized as revenue when funds are expensed on AGLC-approved uses. Unused funds are reported as deferred revenue on the Statement of Financial Position.

Interest income is recognized as revenue when earned.

Measurement uncertainty

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.

(continues)

COCHRANE MINOR HOCKEY ASSOCIATION

Notes to Financial Statements

Year Ended April 30, 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Jerseys	5 years straight-line method
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The organization regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost. Contributed capital assets are recorded at fair value at the date of contribution.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Investments

Investments are recorded at the lower of cost and market value as at year end. There are no investments as at fiscal year end.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

Restricted cash and cash equivalents are not available for current operating expenses and therefore are not included as cash..

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Contributed services

Volunteers assist the Association in delivering its services. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements. Contributed material and supplies that would otherwise be paid for by the Association are recorded at fair value when provided.

4. NET ASSETS

In the event of dissolution or winding up of the Association, all its remaining assets after payment of liabilities shall be distributed to one or more organizations in Canada having similar objectives.

COCHRANE MINOR HOCKEY ASSOCIATION

Notes to Financial Statements

Year Ended April 30, 2022

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Jerseys	\$ 107,126	\$ 83,114	\$ 24,012	\$ 45,437

6. RESTRICTED CASH AND CASH EQUIVALENTS

Restricted cash consists of funds received from casino and raffle fundraising efforts. Use of these funds are restricted by the terms set out by Alberta Gaming, Liquor and Cannabis (AGLC) when the application was approved. [2022 - \$12,572; 2021 - \$4,577]

7. UNEARNED REVENUE AND DEFERRED INCOME

Unearned revenue consists primarily of registration fees received during the year for spring camp programs which occur after April 30, 2022. [2022 - \$16,501; 2021 - \$270,627]

Deferred revenue in previous year was considerably higher due to programs that were cancelled due to the COVID-19 pandemic. Members were given the option to carry-forward these fees or to receive a refund.

8. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments which consist of cash, prepaid expense, accounts payable and unearned revenue and has a comprehensive risk management framework to monitor, evaluate and manage these risks.

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources and accounts payable.

(b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates.

(c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The organization is exposed to other price risk through its investment in quoted shares.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.