

RINGETTE ALBERTA ASSOCIATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2023

RINGETTE ALBERTA ASSOCIATION

FOR THE YEAR ENDED JULY 31, 2023

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To the Members of Ringette Alberta Association:

We have reviewed the accompanying financial statements of Ringette Alberta Association (the "Association") which comprise the statement of financial position as at July 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.

Practitioner's Responsibility

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 Association, 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 Ringette Alberta Association as at July 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.

Other Matter

The financial statements of Ringette Alberta Association for the year ended July 31, 2022 were reviewed by SVS Group LLP of Edmonton, Alberta, Canada, prior to its merger with MNP LLP. SVS Group LLP expressed an unmodified opinion on those statements on January 12, 2023.

Edmonton, Alberta

November 30, 2023



Chartered Professional Accountants

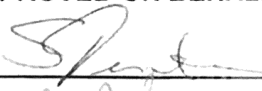
RINGETTE ALBERTA ASSOCIATION

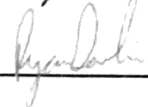
STATEMENT OF FINANCIAL POSITION

AS AT JULY 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash in accounts - unrestricted (Note 3)	\$ 307,847	\$ 381,496
Accounts receivable	3,794	8,443
Inventory (Note 4)	36,417	25,029
Prepaid expenses	1,570	1,570
	349,628	416,538
CASH IN ACCOUNTS - RESTRICTED (Note 3)	237,142	214,338
	\$ 586,770	\$ 630,876
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 5)	\$ 22,645	\$ 29,541
Current portion of CEBA loan (Note 10)	30,000	-
Deferred revenue (Note 6)	340,399	257,041
	393,044	286,582
CEBA LOAN (Note 10)	-	30,000
	393,044	316,582
NET ASSETS		
OPERATING RESERVE	(6,274)	114,294
FINANCIAL RESERVE (Note 3)	200,000	200,000
	193,726	314,294
	\$ 586,770	\$ 630,876

APPROVED ON BEHALF OF THE BOARD:


 _____ Director


 _____ Director

RINGETTE ALBERTA ASSOCIATION

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED JULY 31, 2023

	2023		2022	
	Financial Reserve	Operating Reserve	Total	Total
BALANCE , beginning of year	\$ 200,000	\$ 114,294	\$ 314,294	\$ 424,856
DEFICIENCY OF REVENUE OVER EXPENSES	-	(120,568)	(120,568)	(110,562)
BALANCE , end of year	\$ 200,000	\$ (6,274)	\$ 193,726	\$ 314,294

RINGETTE ALBERTA ASSOCIATION

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED JULY 31, 2023

	2023	2022
REVENUE		
Casino	\$ 117	\$ 78,200
Grants (Schedule)	105,928	96,678
Interest	5,532	1,203
Memberships, registrations and participant fees	887,052	782,891
Other	2,468	8,594
Raffle	178	-
	1,001,275	967,566
 EXPENSES		
Advertising and promotion	8,254	10,920
Bank charges and interest	27,153	18,593
Computer and licenses	18,282	31,589
Facility rental	39,012	94,463
Financial assistance to clubs and members	17,000	6,000
 Honorariums	5,654	11,095
Insurance	29,059	22,666
Memberships, registrations and participant expenses	364,706	364,519
Office	12,198	10,770
Professional fees	101,150	49,126
 Recognition and awards	9,893	6,482
Supplies	19,756	2,085
Travel	112,367	56,638
Utilities	1,641	2,358
Wages and benefits	355,718	388,696
	1,121,843	1,076,000
 DEFICIENCY OF REVENUE OVER EXPENSES FROM OPERATIONS	(120,568)	(108,434)
 LOSS ON DISPOSAL OF CAPITAL ASSETS	-	(2,128)
 DEFICIENCY OF REVENUE OVER EXPENSES	\$ (120,568)	\$ (110,562)

RINGETTE ALBERTA ASSOCIATION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JULY 31, 2023

	2023	2022
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Cash receipts from funders, members and others	\$ 1,083,752	\$ 966,363
Cash paid to suppliers and employees	(1,140,129)	(943,740)
Interest received	5,532	1,203
	<hr/>	<hr/>
INCREASE (DECREASE) IN CASH DURING THE YEAR	(50,845)	23,826
CASH, beginning of year	595,834	572,008
	<hr/>	<hr/>
CASH, end of year	\$ 544,989	\$ 595,834
	<hr/>	<hr/>
REPRESENTED BY (Note 3)		
Cash in accounts - unrestricted	\$ 307,847	\$ 381,496
Cash in accounts - restricted	237,142	214,338
	<hr/>	<hr/>
	\$ 544,989	\$ 595,834

RINGETTE ALBERTA ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2023

1. NATURE OF OPERATIONS

Ringette Alberta Association is a not-for-profit organization incorporated under the Societies Act of the Province of Alberta. The Association provides for the advancement of amateur recreational ringette in the province of Alberta. The Association is exempt from the payment of income taxes under Section 149 of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. These financial statements have, in management's opinion, been prepared within the reasonable limits of materiality and the framework of the significant accounting policies summarized below:

(a) Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations (ASNFP) requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known. Estimated life of property and equipment and inventory valuation, if applicable, are the most significant items that involve the use of estimates.

(b) Financial Instruments

Measurement of financial instruments

The Association initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The Association subsequently measures all of its financial assets and financial liabilities at amortized cost, except 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, accounts receivable and prepaid expenses.

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

The Association's financial assets, if any, measured at fair value include investments that are quoted shares.

RINGETTE ALBERTA ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Financial Instruments (continued)

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.

Transaction costs

The Association recognizes its transaction costs, if any, in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

(c) Contributed Services and Materials

Volunteers contribute time each year to aid the Association in carrying out its service delivery activities. Because of the difficulty in determining fair value, the financial value of contributed services is not recognized in these financial statements.

Other contributed services and materials are recognized only to the extent that they would have been purchased in the normal course of operations and their value is reasonably determinable.

(d) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is generally determined on an average cost basis.

(e) Revenue Recognition

The Association follows the deferral method of accounting for contributions for which the related restrictions remain unfulfilled and are accumulated as deferred revenues. 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.

Membership fees are recognized as revenue for the period that relates to the fiscal period of the Association. Membership fees that are collected and relate to the period subsequent to the fiscal period of the Association have been recorded as deferred revenue.

Other Association services are recognized as revenue in the period in which the related funds are received.

(f) Internally Restricted Funds

The funds in the Financial Reserve, to a maximum of \$200,000, are intended to be used to provide protection against unforeseen interruption of income or unanticipated expenses. Transfers to and from the Financial Reserve require Board approval.

RINGETTE ALBERTA ASSOCIATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JULY 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Basis of Presentation of Financial Statements

These financial statements include only the assets, liabilities, revenues and expenses of Ringette Alberta Association and do not include the accounts of any affiliates or projects which are not under the direct control of the Association.

(h) Cash and Cash Equivalents

Cash and cash equivalents consist of amounts held in chequing and interest-bearing savings accounts at Canadian financial institutions.

3. CASH

	<u>2023</u>	<u>2022</u>
Operating account	\$ 301,811	\$ 379,213
Paypal account	6,036	2,283
Financial Reserve (restricted cash)	200,000	200,000
Casino account (restricted cash)	160	277
Raffle account (restricted cash)	36,982	14,061
	<u>\$ 544,989</u>	<u>\$ 595,834</u>

The regulations of the Alberta Gaming Liquor and Cannabis Commission (AGLC) provide that the use of the net proceeds from a casino are restricted to certain approved expenses of the Association to be expended within a specified time frame. As at July 31, 2023, the Association had \$37,142 (2022 - \$14,338) of restricted cash on hand which has been recorded as deferred revenue.

4. INVENTORY

	<u>2023</u>	<u>2022</u>
Resources and materials held for sale	\$ 36,417	\$ 25,029

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2023</u>	<u>2022</u>
Trade accounts payable	\$ 22,645	\$ 29,541

Included in accounts payable are government remittances of \$1,257 (2022 - \$Nil).

RINGETTE ALBERTA ASSOCIATION

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JULY 31, 2023

6. DEFERRED REVENUE

				2023	2022
	Opening	Received	Recognized as Revenue	Total	Total
Casino	\$ 277	\$ -	\$ (117)	\$ 160	\$ 277
SPAR - Government of Alberta CWG Grant	20,700	-	(20,700)	-	20,700
Raffle	14,061	47,092	(24,171)	36,982	14,061
Membership	222,003	297,627	(222,003)	297,627	222,003
Coach Clinics	-	5,630	-	5,630	-
Totals	\$ 257,041	\$ 350,349	\$ (266,991)	\$ 340,399	\$ 257,041

7. CONTINGENCIES

Two lawsuits have been filed against the Association for incidents which arose in the ordinary course of business and are being dealt with by the insurer. In the opinion of management, the outcome of the lawsuits, now pending, is not determinable but is expected to be covered by insurance. Should any loss result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

8. ECONOMIC DEPENDENCE

The ongoing operation of the Association is dependent to a significant extent on the Province of Alberta grant revenue that is approved on a yearly basis and casino fundraising revenues received from AGLC.

RINGETTE ALBERTA ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2023

9. FINANCIAL INSTRUMENTS

Risks and concentrations

The Association is exposed to various risks through its financial instruments, without being exposed to concentrations of risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial statement liabilities. The Association is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Association's main credit risks relate to accounts receivable. The Association provides credit to its clients in the normal course of operations.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of risk: currency risk, interest rate risk and other price risk. The Association has no significant exposure to market risk.

10. GOVERNMENT ASSISTANCE

The Canada Emergency Business Account (CEBA) loan is a loan offered through financial institutions where 25% of the advanced loan proceeds will be forgiven if 75% of the advanced loan proceeds are repaid by January 18, 2024. The loan is non-interest bearing until January 18, 2024. The Association repaid the non-forgivable portion of the loan prior January 18, 2024 and as such the forgivable portion of the loan, \$10,000, has been recognized as grant revenue during a previous year.

RINGETTE ALBERTA ASSOCIATION

SCHEDULE OF GRANT INCOME

FOR THE YEAR ENDED JULY 31, 2023

	2023	2022
SPAR - Government of Alberta ADP Grant	\$ 86,328	\$ 86,328
SPAR - Government of Alberta CWG Grant	19,600	10,350
	<u>\$ 105,928</u>	<u>\$ 96,678</u>