

SASKATCHEWAN LACROSSE ASSOCIATION INC.
FINANCIAL STATEMENTS
OCTOBER 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of
Saskatchewan Lacrosse Association Inc.

Qualified Opinion

I have audited the accompanying financial statements of Saskatchewan Lacrosse Association Inc. (the Entity), which comprise the statement of financial position as at October 31, 2024 and the statements of operations, statement of net assets and statement of cash flows for the the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, except for the effects, if any, of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Lacrosse Association Inc. as at October 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many non-profit organizations, Saskatchewan Lacrosse Association Inc. derives part of its revenue from membership fees, donations and other fundraising activities, the completeness and classification of which are not susceptible to satisfactory audit verification. Accordingly my verification of these transactions was limited to accounting for the amounts recorded in the records of the Association and I was not able to determine whether any adjustments might be necessary to the revenues, statement of operations, assets and net assets.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Entity in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements


My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted

auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Regina, Saskatchewan
February 19, 2025



Marcia Herback
CPA, CA

SASKATCHEWAN LACROSSE ASSOCIATION INC.
STATEMENT OF FINANCIAL POSITION
AS AT OCTOBER 31, 2024
(with comparative figures for 2023)

	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	\$ 60,080	\$ 446,945
Accounts receivable	280,935	325,370
Grants receivable	255,128	137,436
Inventory	67,279	28,862
Prepaid expenses	<u>26,212</u>	<u>40,711</u>
	689,634	979,324
Invested in Sport Legacy Fund (Note 3)	53,331	49,387
Tangible capital assets (Note 4)	<u>5,889</u>	<u>7,094</u>
	<u>\$ 748,854</u>	<u>\$ 1,035,805</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 369,780	\$ 530,244
Team refundable deposits	2,400	2,400
Deferred revenue (Note 5)	24,378	7,350
Current portion of loan payable (Note 6)	<u>-</u>	<u>30,000</u>
	396,558	569,994
Long-term liabilities		
Deferred Sport Legacy Fund (Note 3)	<u>53,331</u>	<u>49,387</u>
	<u>449,889</u>	<u>619,381</u>
NET ASSETS		
Invested in tangible capital assets	5,889	7,094
Appropriated net assets (Note 7)	41,031	36,152
Unrestricted net assets	<u>252,045</u>	<u>373,178</u>
	<u>298,965</u>	<u>416,424</u>
	<u>\$ 748,854</u>	<u>\$ 1,035,805</u>

See accompanying notes

Approved on Behalf of the Board

Ryan Cherkewich Director

Greg Krawetz Director

SASKATCHEWAN LACROSSE ASSOCIATION INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED OCTOBER 31, 2024
(with comparative figures for 2023)

	2024	2023
Revenue		
Saskatchewan Lotteries Trust Fund, Sport Division (Schedule 1)	\$ 269,300	\$ 282,100
Self help (Schedule 2)	<u>1,127,611</u>	<u>1,103,532</u>
	<u>1,396,911</u>	<u>1,385,632</u>
Expenditure		
Administration (Schedule 3)	232,477	197,203
Capacity/Interaction (Schedule 4)	169,258	140,091
Participation (Schedule 5)	147,256	113,773
Excellence (Schedule 6)	754,658	781,372
Membership Assistance Program (Schedule 7)	63,800	62,201
Categorical grant expenses (Schedule 8)	-	11,633
Other expenses (Schedule 9)	<u>146,921</u>	<u>30,329</u>
	<u>1,514,370</u>	<u>1,336,602</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (117,459)</u>	<u>\$ 49,030</u>

See accompanying notes

SASKATCHEWAN LACROSSE ASSOCIATION INC.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED OCTOBER 31, 2024
(with comparative figures for 2023)

		Invested in Tangible Capital Assets	Internally Restricted Assets	<u>2024</u>	<u>2023</u>
Net Assets					
Balance, beginning of year	\$ 373,178	7,094	36,152	\$ 416,424	\$ 367,394
Excess (deficiency) of revenues over expenditures	(116,921)	(5,417)	4,879	(117,459)	49,030
Additions to capital assets	<u>(4,212)</u>	<u>4,212</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 252,045</u>	<u>5,889</u>	<u>41,031</u>	<u>\$ 298,965</u>	<u>\$ 416,424</u>

See accompanying notes

SASKATCHEWAN LACROSSE ASSOCIATION INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED OCTOBER 31, 2024
(with comparative figures for 2023)

	2024	2023
Operating activities		
Excess (deficiency) of revenues over expenditures	\$ (117,459)	\$ 49,030
Items not involving an outlay (receipt) of cash		
Amortization	<u>5,417</u>	<u>4,917</u>
	(112,042)	53,947
Net change in non-cash operating working capital balances		
Accounts receivable	44,435	(42,061)
Grants receivable	(117,692)	(137,436)
Invested in Sport Legacy Fund	(3,944)	4,176
Prepaid expenses	14,499	(18,081)
Inventory	(38,417)	9,948
Accounts payable and accrued liabilities	(160,464)	244,708
Deferred Sport Legacy Fund	3,944	(4,176)
Deferred revenue	<u>17,028</u>	<u>7,350</u>
Cash provided by (used in) operating activities	(352,653)	118,375
Investing activities		
Purchase of capital assets	(4,212)	(9,244)
Financing activities		
Repayment pf CEBA loan	<u>(30,000)</u>	<u>-</u>
Increase (decrease) in cash	(386,865)	109,131
Cash position, beginning of year	<u>446,945</u>	<u>337,814</u>
Cash position, end of year	<u>\$ 60,080</u>	<u>\$ 446,945</u>

See accompanying notes

**SASKATCHEWAN LACROSSE ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2024**

1. Status and nature of activities

Saskatchewan Lacrosse Association Inc. ("the Association") is the provincial sport governing body dedicated to the promotion of lacrosse for all and the development of competitive excellence. The Association is incorporated under the Non-Profit Corporations Act of Saskatchewan. Under present legislation, no income taxes are payable on the reported income of such operations.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

Tangible capital assets

Tangible capital assets are initially recorded at cost. Amortization is provided for using the straight-line method over the estimated useful lives of the assets at the following annual rates:

Computer hardware	3 years
Computer software	3 years
Equipment	3 years

Revenue recognition

Saskatchewan Lacrosse Association Inc. follows the restricted fund method of accounting for contributions.

Grants from Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation are received out of the net proceeds of lottery ticket sales in Saskatchewan. These grants have been recorded as revenue by the Association as approved by Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation. Accordingly, any amounts not received by year end are shown as grant receivable and any amounts received relating to the next fiscal period are shown as deferred grant revenue.

Fees, meets and fundraising revenue are recognized in the year when the various activities are held, if the amount to be received can be reasonably estimated and collection is reasonably assured. Interest income is recorded in the year earned.

Financial instruments

The Saskatchewan Lacrosse Association Inc. initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash and cash equivalents and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities.

Management estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

SASKATCHEWAN LACROSSE ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2024

3. Sport Legacy Fund

The funds on deposit and the offsetting deferred revenue from the Sport Legacy Fund consists of donations based on various programs and top-up contributions made by Sask Sport Inc. To qualify for the additional top-up contributions made by Sask Sport Inc, the Association is required to leave the original amount of donation in the Sport Legacy Fund for a minimum of 5 years.

4. Tangible capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2024 Net Book Value</u>	<u>2023 Net Book Value</u>
Computer hardware	\$ 19,998	14,109	\$ 5,889	\$ 7,094

5. Deferred revenue

	<u>2024</u>	<u>2023</u>
Female Camp Registration Fees	\$ -	\$ 7,350
Credit balances from accounts receivable	10,378	-
Canada Summer Games Tryout Fees	14,000	-
	<u>\$ 24,378</u>	<u>\$ 7,350</u>

6. Loan payable

The Association applied for and received a \$40,000 CEBA loan in the 2020/2021 fiscal year. The loan is guaranteed by the Government of Canada to provide capital to organizations to see them through the current challenges and better position them to return to providing services and creating employment. The loan is unsecured. The loan is interest free to January 18, 2024 at which time the loan will be converted to a loan repayable over three years with a 5% interest rate. Only monthly interest payments will be required with the outstanding principal due in full by December 31, 2026. The loan was repaid by December 31, 2023, and as such, the forgivable portion of \$10,000 was recognized as a government revenue in the 2020/2021 year.

7. Appropriated net assets

The Board of Directors of Saskatchewan Lacrosse Association Inc. has established a Box Lacrosse Contingency Fund and a Field Lacrosse Contingency Fund for the purpose of accumulating funds for the future development in these areas. A fee of one dollar per player is assessed annually as a contribution towards the fund.

During the year \$3,610 (2023 - \$3,838) was contributed to the Box Lacrosse Contingency Fund and \$1,638 (2023 - \$1,178) was contributed to the Field Lacrosse Contingency Fund. The Field Lacrosse Contingency Fund had expenses of \$369 (2023 - \$nil) and had an ending balance of \$14,754 (2023 - \$13,485). Box Lacrosse Contingency Fund had expenses of \$nil (2023 - \$nil) and had an ending balance of \$26,277 (2023 - \$22,667).

**SASKATCHEWAN LACROSSE ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2024**

8. Economic dependence

Saskatchewan Lacrosse Association Inc. receives a significant portion of its revenue from grants received from Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation. As a result, the Association is dependent upon the continuance of these grants to maintain operations at the current level.

Saskatchewan Lacrosse Association Inc. has been undergoing an eligibility review by Sask Sport since April 4, 2023. This is a two-year process. During the process the Association has been provided with steps to take corrective actions on the items identified by Sask Sport to meet full compliance with the General Eligibility requirements. The Association has been meeting with Sask Sport to resolve these concerns and have taken steps to address the issues that have been raised during the review process.

If at the end of the two year process Sask Sport determines the problems regarding eligibility cannot be resolved a recommendation for removal from the eligibility list for Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation will be taken forward to the Lottery Strategic Review Committee. If removed from list the Association will lose all Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation funding. The Association may re-apply for eligibility status after 12 months have elapsed since the removal. The application will need to demonstrate that the Association has fully rectified the previously identified problems.

If the review is unfavourable this will have an adverse effect on the Association's financial position. There would be significant impacts on programs, operations and overall financial stability. The Association would need to implement cost-cutting measures (all or combination of), including adjusting planned activities, seek alternative funding sources and restructure operations to continue operations.

9. Financial instruments

Saskatchewan Lacrosse Association Inc. is exposed to various risks through its financial instruments. The following analysis provides a measure of the Saskatchewan Lacrosse Association Inc.'s exposure and concentrations at October 31, 2024:

Credit risk

Credit risk arises from the potential that a party may default on their financial obligations, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the Association could incur a financial loss. The Association is exposed to credit risk with respect to cash and cash equivalents and accounts receivable. The Association manages its credit risk by placing cash with major financial institutions. Credit risk for accounts receivable is managed by the credit quality and diverse debtor base and creating an allowance for bad debts where applicable.

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SASKATCHEWAN LACROSSE ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2024

9. Financial instruments cont'd

Liquidity risk

Liquidity risk is the risk that the Association may not be able to meet a demand for cash or fund its obligations as they come due or not being able to liquidate assets in a timely manner at a reasonable price. The Association is exposed to liquidity risk with respect to its accounts payable and accrued liabilities but manages its liquidity risk by holding assets that can be readily converted into cash.

Interest rate risk

Interest rate risk is a type of market risk that refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The Association is exposed to interest rate risk with respect to its cash and cash equivalents and its effect on interest income. Fluctuations in interest rates do not have a significant effect on cash due to the fact that interest income is not a major percentage of total revenue.

10. Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

SASKATCHEWAN LACROSSE ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2024
(with comparative figures for 2023)

	2024	2023
Saskatchewan Lotteries Trust Fund, Sport Division		
		Schedule 1
Annual funding	\$ 154,500	\$ 171,900
Membership assistance program	63,800	62,200
Hosting grant	51,000	48,000
	<u>\$ 269,300</u>	<u>\$ 282,100</u>
 Self help		
		Schedule 2
Internal		
Competition and clinic fees	\$ 167,092	\$ 205,079
Membership fees and assessments	126,666	138,221
Team/Athlete fees	428,832	380,358
External		
Donations	-	8,000
Fundraising		
Fundraising and SLA/Team Sask Sponsorships	20,104	294,170
Team Sask 50/50 Revenue	15,185	-
Team Sask 50/50 SLGA grant	3,066	-
Saskatchewan Rush 50/50 Revenue (Schedule 10)	189,852	-
Saskatchewan Rush 50/50 SLGA Grant	32,683	-
Interest	1,778	3,885
Other grants		
Gov't of Canada - Summer Student Grant	4,500	2,936
ISEP - Indigenous Sport Enhancement Grant	-	6,687
SSI - Next Gen	-	1,000
National Sport Organization	137,565	61,300
Sales & other income	288	1,896
	<u>\$ 1,127,611</u>	<u>\$ 1,103,532</u>

SASKATCHEWAN LACROSSE ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2024
(with comparative figures for 2023)

	2024	2023
Administration		Schedule 3
Amortization	\$ 5,417	\$ 4,917
Audit	5,106	5,772
Bad debt	1,746	2,494
Insurance	14,611	11,810
Legal fees	20,485	7,548
Office operations	54,117	42,136
Staff salaries and benefits	127,597	120,658
Staff travel	3,398	1,868
	<u>\$ 232,477</u>	<u>\$ 197,203</u>
Capacity/Interaction		Schedule 4
Awards and recognition	\$ 38,341	\$ 16,775
Communications	6,961	10,436
Hosting	51,000	48,000
Marketing and promotions	18,976	12,576
Meetings		
Executive and other meetings	3,681	554
Sector meetings	8,166	13,386
National meetings	1,553	14,977
Memberships and national dues	28,442	13,026
Planning and policy development	3,716	2,357
Staff and board development	8,422	8,004
	<u>\$ 169,258</u>	<u>\$ 140,091</u>
Participation		Schedule 5
Athlete development		
Club assistance	\$ -	\$ 8,400
Competition	74,143	74,075
Introductory programs	53,616	14,458
Under-represented population initiatives	3,851	5,805
Coaches development	11,174	8,508
Officials development	4,472	2,527
	<u>\$ 147,256</u>	<u>\$ 113,773</u>

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SASKATCHEWAN LACROSSE ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2024
(with comparative figures for 2023)

	2024	2023
Excellence		Schedule 6
Athlete development		
Athlete assistance	\$ 28,300	\$ 30,400
Competition	551,922	520,756
Talent identification	86,521	81,139
Training	82,910	148,777
Coaches development	3,838	-
Officials development	287	300
Sports Medicine and Science	880	-
	<u>\$ 754,658</u>	<u>\$ 781,372</u>
Membership Assistance Program		Schedule 7
Carnduff Lacrosse Association	\$ 3,223	\$ 4,600
Churchbridge Lacrosse Association	633	563
Dakota Lacrosse Association	2,549	1,952
Estevan Lacrosse Association	1,266	1,751
Kelvington Lacrosse Association	275	-
Melfort Lacrosse Association	1,608	1,731
Moose Jaw Lacrosse Association	4,708	3,113
Prince Albert Lacrosse Association	9,064	8,105
Queen City Minor Box Lacrosse Association	7,871	6,319
Regina Men's Field Lacrosse Association	2,166	2,693
Saskatoon Box Lacrosse Association	12,047	12,824
Saskatoon Field Lacrosse Association	4,616	5,523
Sturgis (East Central) Lacrosse Association	2,321	2,127
Swift Current Lacrosse Association	4,542	4,538
Weyburn Lacrosse Association	4,631	3,852
Yorkton Lacrosse Association	2,280	2,510
	<u>\$ 63,800</u>	<u>\$ 62,201</u>
Categorical grant expenses		Schedule 8
SSI - Next Gen Indigenous Athlete Assistance (NGIAA)	\$ -	\$ 1,000
SSI - Indigenous Sport Enhancement Grant (ISEP)	-	10,633
	<u>\$ -</u>	<u>\$ 11,633</u>
Other expenses		Schedule 9
Other fundraising expenses	\$ 74,114	\$ 800
Prior year adjustments	9,381	-
Expenses with no receipts (SLTF)	1,425	29,529
Team Sask 50/50 expenses	2,881	-
Saskatchewan Rush 50/50 expenses (Schedule 10)	59,120	-
	<u>\$ 146,921</u>	<u>\$ 30,329</u>

SASKATCHEWAN LACROSSE ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2024
(with comparative figures for 2023)

	2024	2023
	Rush 50/50 Schedule	Schedule 10
Revenue		
Saskatchewan Rush 50/50 Revenue	\$ 380,407	\$ -
Winner	<u>(190,555)</u>	<u>-</u>
	<u>189,852</u>	<u>-</u>
Expenses		
Bank charges	6,495	-
Miscellaneous expenses	53	-
SaskTel Center	24,010	-
Tap 50/50	<u>28,562</u>	<u>-</u>
	<u>59,120</u>	<u>-</u>
Excess of revenues over expenses	<u>\$ 130,732</u>	<u>\$ -</u>