

ONTARIO WOMEN'S HOCKEY ASSOCIATION

FINANCIAL STATEMENTS

JUNE 30, 2024



ONTARIO WOMEN'S HOCKEY ASSOCIATION

FINANCIAL STATEMENTS

JUNE 30, 2024

CONTENTS

	<u>Page</u>
Independent Auditor's Report	1 - 2
Financial Statements:	
Statement of Financial Position	3
Statement of Statement of Changes in Net Assets Fund	4
Statement of Operations	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 11





JOHN C. BAILEY

CHARTERED PROFESSIONAL ACCOUNTANT

220 Duncan Mill Road, Suite 514, Toronto, Ontario M3B 3J5
Tel: (416) 447-8699 Fax: (416) 447-9798

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Ontario Women's Hockey Association**

Opinion

I have audited the financial statements of the Ontario Women's Hockey Association (the "Organization"), which comprise the statement of financial position as at June 30, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Ontario Women's Hockey Association as at June 30, 2024, and the results of its changes in net assets, operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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 Organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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.

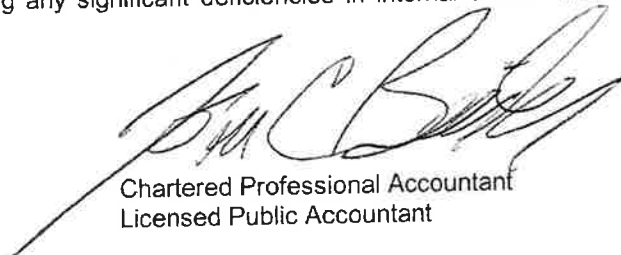
INDEPENDENT AUDITOR'S REPORT (continued)

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 misstatements 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 Organization'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 material uncertainty exists related to events or conditions that may cast significant doubt on the Organization'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 Organization 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.

Toronto, Ontario
December 9, 2024



Chartered Professional Accountant
Licensed Public Accountant



ONTARIO WOMEN'S HOCKEY ASSOCIATION

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

ASSETS

	<u>2024</u>	<u>2023</u>
Current		
Cash	\$ 5,210,930	\$ 4,482,568
Accounts receivable	<u>58,832</u>	<u>81,309</u>
	5,269,762	4,563,877
Capital		
Land and building (Note 2)	2,612,110	2,636,335
Equipment (Note 2)	<u>45,797</u>	<u>41,857</u>
	<u>\$ 7,927,669</u>	<u>\$ 7,242,069</u>

LIABILITIES

Current		
Accounts payable and accrued liabilities	\$ 612,547	\$ 340,607
Deferred revenue	<u>-</u>	<u>60,565</u>
	<u>612,547</u>	<u>401,172</u>

NET ASSETS

Operations fund	2,932,660	2,569,587
Invested in capital assets (Note 5)	2,972,110	2,956,335
Reserve fund (Note 6)	1,000,000	1,000,000
Legacy fund (Note 7)	<u>410,352</u>	<u>314,974</u>
	<u>7,315,122</u>	<u>6,840,896</u>
	<u>\$ 7,927,669</u>	<u>\$ 7,242,068</u>

Approved on behalf of the Board:

Sarah Stewart

Chairperson

Fran Richter

President



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

ONTARIO WOMEN'S HOCKEY ASSOCIATION
STATEMENT OF STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2024

	OPERATIONS FUND	INVESTED IN CAPITAL ASSETS	RESERVE FUND	LEGACY FUND
BALANCE JULY 1, 2023	\$ 2,569,587	\$ 2,956,335	\$ 1,000,000	\$ 314,974
EXCESS OF REVENUES OVER EXPENDITURES	378,848	-	-	-
INTERNATIONAL TOURNAMENT PROCEEDS	-	-	-	95,378
PROPERTY MAINTENANCE	(40,000)	40,000	-	-
BUILDING AMORTIZATION	<u>24,225</u>	<u>(24,225)</u>	<u>-</u>	<u>-</u>
BALANCE JUNE 30, 2024	<u>\$ 2,932,660</u>	<u>\$ 2,972,110</u>	<u>\$ 1,000,000</u>	<u>\$ 410,352</u>
BALANCE JULY 1, 2022	\$ 2,090,826	\$ 2,941,056	\$ 1,000,000	\$ 314,974
EXCESS OF REVENUES OVER EXPENDITURES	494,040	-	-	-
PROPERTY MAINTENANCE	(40,000)	40,000	-	-
BUILDING AMORTIZATION	<u>24,721</u>	<u>(24,721)</u>	<u>-</u>	<u>-</u>
BALANCE JULY 1, 2023	<u>\$ 2,569,587</u>	<u>\$ 2,956,335</u>	<u>\$ 1,000,000</u>	<u>\$ 314,974</u>

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



ONTARIO WOMEN'S HOCKEY ASSOCIATION

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED JUNE 30, 2024

	<u>2024</u> <u>Actual</u>	<u>2023</u> <u>Actual</u>
Revenue	\$ 3,047,470	\$ 2,468,363
Membership assessments	1,014,822	714,824
Provincials	547,855	553,005
League fees	374,920	308,000
High performance	285,053	310,789
Grants (Note 9)	191,544	223,192
Development	79,706	72,459
Sanction fees and other	148,903	85,169
Interest	<u>5,690,273</u>	<u>4,735,801</u>
Expenditures	2,289,017	1,488,631
Insurance and assessments	970,137	780,283
Provincials	900,319	889,663
Administration	441,733	472,305
League	378,580	376,544
High performance	140,535	51,659
Development	83,988	65,939
Professional fees	38,919	36,719
Amortization	38,108	53,726
Communications	30,089	26,292
Meetings	<u>5,311,425</u>	<u>4,241,761</u>
Excess of revenue over expenditures	<u>\$ 378,848</u>	<u>\$ 494,040</u>



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

ONTARIO WOMEN'S HOCKEY ASSOCIATION

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2024

	2024	2023
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses	\$ 378,848	\$ 494,040
Operating fund	<u>38,919</u>	<u>36,719</u>
Add back non-cash items - amortization	<u>417,767</u>	<u>530,759</u>
Changes in working capital		
Accounts receivable	22,477	6,535
Prepaid expenses	-	17,651
Accounts payable and accrued liabilities	271,940	30,623
Deferred revenue	<u>(60,565)</u>	<u>60,565</u>
Government remittances payable	<u>-</u>	<u>(9,445)</u>
	<u>651,619</u>	<u>636,688</u>
Investing activity		
Tournament proceeds	95,378	-
Purchase of equipment	<u>(18,635)</u>	<u>(16,663)</u>
	<u>76,743</u>	<u>16,663</u>
Increase in cash	728,362	620,025
Cash, beginning of year	<u>4,482,568</u>	<u>3,862,543</u>
Cash, end of year	<u>\$ 5,210,930</u>	<u>\$ 4,482,568</u>



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

ONTARIO WOMEN'S HOCKEY ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

NATURE OF OPERATIONS

The Ontario Women's Hockey Association ("OWHA") was incorporated on February 6, 1981 with Letters Patent under the laws of Ontario without share capital as a not-for-profit corporation. The OWHA has also met the criteria of the Ontario government to operate as a Provincial Sport Organization. The OWHA mandate is to operate without gain to its members, with any program surpluses to be used in promoting its objectives. The objectives of the OWHA are to promote the participation of girls and women in all aspects of female hockey, to foster and encourage leadership programs in all areas related to the development of female hockey in Ontario, and to promote hockey as a game played primarily for enjoyment while also fostering sportsmanship and life skills.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles. The significant policies of the OWHA as follows:

Fund accounting

The OWHA follows the deferred method of accounting for its activities.

The Operations Fund reports receipts and expenditures related to the OWHA's program delivery and administrative activities carried out in the fulfillment of its objectives.

Both the Reserve Fund and the Legacy Fund represent resources, internally restricted as to use and amounts, established for key initiatives to be determined by management under the direction of the Board of Directors.

Invested in Capital Assets represents the allocation of funds for OWHA's investment in the land and buildings purchased by the association for the fulfillment of its purposes in delivering its objectives. The association established a future maintenance funding provision to provide for major repairs to the property. These repair costs have been analyzed and are expected to accumulate to \$400,000. The association will update the building repairs assessment as conditions warrant.

Capital Assets

Capital assets are recorded at cost. Amortization has been charged using the following rates and methods based upon the estimated useful life of the assets:

Building	- 2% declining balance
Office equipment	- 20% declining balance
Computer equipment	- 4 years straight-line



ONTARIO WOMEN'S HOCKEY ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Revenue Recognition

Unrestricted contributions are recognized on the accrual basis as revenue of the Operations Fund in the year received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Government grants are recognized in the year the related expenses are incurred.

Membership assessments are recognized when the members register players and teams for participation under the auspices of the OWHA. Other revenues include fees for league play and tournaments, clinics and other miscellaneous receipts. The revenue from these are recognized as received at the time of the event or function or as reported to the OWHA.

Restricted contributions and grant revenues from the Ontario government are recognized as revenue as identified when received.

Where there are contributions of material and services which would otherwise have been purchased, these are recognized as revenue at fair value at the date of contribution if fair value can be reasonably estimated and when the materials and services are used in the normal course of operations.

Deferred Revenue

Deferred revenue consists of fees received for tournaments and clinics in the current fiscal year which relate to the subsequent fiscal year.

Financial Instruments

Measurement

The OWHA initially measures its financial assets and liabilities at fair value. The OWHA subsequently measures all its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and deferred revenue. The OWHA has not designated any financial asset or financial liability to be 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.

Impairment of Long-Lived Assets

A long-lived asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.



ONTARIO WOMEN'S HOCKEY ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Measurement Uncertainty

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The OWHA, in the preparation of its financial statements, records amortization of its equipment and building, provision for doubtful accounts and certain year end accruals of expenses based on estimates derived from its operation activities. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the statement of operations in the period in which they become known. Actual results could differ from these estimates.

Contributed Services

Directors, committee members and others volunteer their time to assist in the OWHA's activities. While their services benefit the corporation considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in these financial statements.

2. CAPITAL ASSETS

The carrying value of the OWHA's land and building and equipment assets are as follows:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value 2024</u>	<u>Net Book Value 2023</u>
LAND & BUILDING				
Land	\$ 1,425,000	\$ -	\$ 1,425,000	\$ 1,425,000
Building	<u>1,438,206</u>	<u>(251,096)</u>	<u>1,187,110</u>	<u>1,211,335</u>
	<u>\$ 2,863,206</u>	<u>\$ (251,096)</u>	<u>\$ 2,612,110</u>	<u>\$ 2,636,335</u>
EQUIPMENT				
Office equipment	\$ 89,516	\$ (66,026)	\$ 23,490	\$ 29,360
Computer equipment	<u>150,547</u>	<u>(128,240)</u>	<u>22,307</u>	<u>12,497</u>
	<u>\$ 240,063</u>	<u>\$ (194,266)</u>	<u>\$ 45,797</u>	<u>\$ 41,857</u>



ONTARIO WOMEN'S HOCKEY ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

3. RELATED PARTY TRANSACTIONS

No remuneration was paid to the volunteer Board of Directors during the current or prior years. Certain scheduled expenses for costs incurred by both Board members and volunteers to perform their duties are reimbursed throughout the year, by way of submitted expense accounts approved by management and a senior Board member.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The OWHA is exposed to various risks through its financial instruments. The following analysis provides a measure of the OWHA's risk exposure:

Credit risk

The OWHA is exposed to credit risk in connection with the collection of its accounts receivable. The OWHA does not have a significant exposure to any individual customer or counter party. The OWHA reviews a new member's/customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. Included in accounts receivable is an allowance for doubtful accounts in the amount of \$5,000 (2023 - \$5,000).

The OWHA also places all of its cash in one financial institution which exceeds the amount of coverage provided by deposit insurance. The Association mitigates this risk by depositing its excess cash in a major financial institution.

Liquidity risk

Liquidity risk is the risk that the OWHA will not be able to meet its obligations as they become due. The OWHA manages this risk by setting fees at a level which ensures that the association has sufficient cash available to pay the day-to-day operating costs and to fund any future programs as determined by the Board of Directors.

Interest rate risk

Interest rate risk is the risk of a potential financial loss caused by fluctuations in fair value of future cash flows of a financial instrument due to changes in market interest rates. The OWHA is not exposed to this risk.

There have been no changes in the Corporation's risk exposures from the prior year.

5. INVESTED IN CAPITAL ASSETS

Invested in Capital Assets was created in fiscal 2015 by transfer of financial assets to enable the purchase of land and building used by OWHA in its operation. Additionally, funds are being allocated annually in the amount of \$40,000 (\$400,000 accumulated) to provide for future major building maintenance and repair costs.



ONTARIO WOMEN'S HOCKEY ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

6. RESERVE FUND

Due to past uncertainties with respect to any manner of external funding, and the need to ensure the efficient operation of the OWHA, the Directors in 1995 approved the creation of a Reserve Fund. The amounts appropriated from the Operations Fund over the period from 1995 to present meet the fund's present requirements as determined by the Board of Directors.

7. LEGACY FUND

The Legacy Fund consists of allocations from certain sponsor contributions, allocations of surpluses from international special events hosted by the OWHA, and other similar contributions less initiatives undertaken by the OWHA to promote the development and expansion of the game of hockey. These funds are dedicated for future initiatives to be determined by the Board of Directors to further the enjoyment of and participation in the female hockey experience.

8. INCOME TAX

The OWHA, as a registered not-for-profit organization, is exempt from taxation. Thus, no provision for taxes on the excess of receipts over expenditures has been recorded in these financial statements.

9. GOVERNMENT SPONSORED GRANTS

The OWHA received \$285,053 (2023 - \$310,789) from the Minister of Heritage, Sport, Tourism and Culture Industries.

