

BARRIE WOMEN'S HOCKEY ASSOCIATION

FINANCIAL STATEMENTS

APRIL 30, 2023

SMITH, SYKES, LEEPER & TUNSTALL LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

LICENSED PUBLIC ACCOUNTANTS

BARRIE WOMEN'S HOCKEY ASSOCIATION

FINANCIAL STATEMENTS

APRIL 30, 2023

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INDEPENDENT AUDITORS' REPORT

To the directors of,
Barrie Women's Hockey Association.

Opinion

We have audited the accompanying financial statements of Barrie Women's Hockey Association, which comprise the statement of financial position as at **April 30, 2023** and the statements of changes in net assets, receipts and expenditures and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Barrie Women's Hockey Association as at **April 30, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Barrie Women's Hockey Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Barrie Women's Hockey Association'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 Barrie Women's Hockey Association or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing Barrie Women's Hockey Association's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our 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 auditors' report that includes our 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 Barrie Women's Hockey Association'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 Barrie Women's Hockey Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Barrie Women's Hockey Association 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.

We 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 we identify during our audit.

Smith, Sykes, Leeper & Tunstall LLP

**CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants**

Barrie, Ontario.
February 4, 2025.

BARRIE WOMEN'S HOCKEY ASSOCIATION

(Incorporated Under the Laws of Ontario)

BALANCE SHEET**APRIL 30, 2023**

	2023	2022
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 308,820	\$ 201,574
Accounts receivable	42,128	48,542
Inventory	40,676	35,550
Prepaid expenses	28,871	25,370
Current portion of loan receivable	<u>5,000</u>	<u>4,000</u>
	425,495	315,036
Loan receivable (Note 3)	0	5,000
Property, plant and equipment (Note 4)	<u>27,391</u>	<u>12,064</u>
	\$ 452,886	\$ 332,100
<u>LIABILITIES</u>		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 86,849	\$ 20,293
Deferred contribution	3,325	5,877
Deferred fees and deposits	84,800	22,450
Government remittances payable	<u>909</u>	<u>583</u>
	175,883	49,203
Unamortized capital grants (Note 5)	<u>10,000</u>	<u>0</u>
	185,883	49,203
<u>NET ASSETS</u>		
Invested in property, plant and equipment (Note 6)	17,391	12,064
Unrestricted net assets	<u>249,612</u>	<u>270,833</u>
	267,003	282,897
	\$ 452,886	\$ 332,100

Approved on Behalf of the Board,

_____, Director.

_____, Director.

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

**BARRIE WOMEN'S HOCKEY ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED APRIL 30, 2023**

	2023			2022
	Invested in Property, plant and equipment	Unrestricted	Total	Total
Net assets, beginning of the year	\$ 12,064	\$ 270,833	\$ 282,897	\$ 200,733
Excess of revenues over expenditures	0	(15,894)	(15,894)	82,164
Changes in net assets invested in property, plant and equipment (Note 6)	5,327	(5,327)	0	0
NET ASSETS, END OF THE YEAR	\$ 17,391	\$ 249,612	\$ 267,003	\$ 282,897

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

**BARRIE WOMEN'S HOCKEY ASSOCIATION
STATEMENT OF REVENUES AND EXPENDITURES
FOR THE YEAR ENDED APRIL 30, 2023**

	2023	2022
REVENUE		
Rep Team Fees (Note)	\$ 464,131	\$ 364,349
Registration Fees	306,469	284,485
Tournaments	189,124	197,075
Clinics	25,200	29,493
Promotional apparel, net of expenditures (Note 7)	17,264	12,062
Sponsors and donations	12,800	11,000
Interest	10,207	798
Fundraising, net of expenditures (Note 7)	8,237	1,224
Ontario Trillium Fund	7,317	42,683
City of Barrie grant (Note 5)	5,000	0
OWHA Member Support Plan	0	11,898
	1,045,749	955,067
OPERATING EXPENSES		
Ice rentals	536,402	454,653
Tournaments	139,343	141,141
Referees (Note)	72,837	54,455
Deficit from 22/23 Intermediate AA team	58,654	0
Clinics	56,305	44,475
OWHA league and insurance fees	45,122	42,622
Office and miscellaneous	41,367	32,481
Wages and benefits (Note 9)	27,052	19,242
Equipment and supplies	22,417	34,712
Office Rent (Note 9)	21,832	14,470
Professional fees	18,713	15,770
Amortization	15,423	12,720
Trophies	2,934	2,836
Team pictures	3,242	3,326
	1,061,643	872,903
EXCESS OF (EXPENDITURES OVER REVENUES)		
REVENUES OVER EXPENDITURES FOR THE YEAR	\$ (15,894)	\$ 82,164

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

BARRIE WOMEN'S HOCKEY ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED APRIL 30, 2023

	2023	2022
CASH PROVIDED BY (USED FOR)		
OPERATIONS		
Excess of (expenditures over revenues) revenues over expenditures for the year	\$ (15,894)	\$ 82,164
Items not requiring an outlay of cash:		
Amortization	15,423	12,720
(Gain) on disposal of property, plant and equipment	(957)	(58)
	(1,428)	94,826
Changes in operating working capital		
Accounts receivable	6,414	(10,900)
Inventory	(5,126)	(6,245)
Prepaid expenses	(3,501)	(17,353)
Current portion of loan receivable	(1,000)	1,000
Accounts payable and accrued expenses	66,556	(11,359)
Deferred contributions	(2,552)	5,877
Deferred fees and deposits	62,350	22,450
Government remittances payable	326	455
	123,467	(16,075)
CASH PROVIDED BY OPERATIONS	122,039	78,751
FINANCING		
Increase in unamortized capital grants	10,000	0
CASH PROVIDED BY FINANCING	10,000	0
INVESTING		
Decrease in loan receivable	5,000	5,000
Additions to property, plant and equipment	(30,817)	(11,349)
Proceeds on disposal of property, plant and equipment	1,024	125
CASH (USED FOR) INVESTING	(24,793)	(6,224)
NET CHANGE IN CASH POSITION	107,246	72,527
Cash position, beginning of the year	201,574	129,047
CASH POSITION, END OF THE YEAR	\$ 308,820	\$ 201,574

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

BARRIE WOMEN'S HOCKEY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization -

The Organization was incorporated December 16, 1994 under the Ontario Corporations Act as a corporation without share capital. The object of the organization is to promote, foster and encourage the development of women's hockey.

These financial statements are prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations (ASNPO) and include the following significant accounting policies:

Use of estimates -

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations (ASNPO) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the estimated useful lives of property, plant and equipment; and the valuation allowances for accounts receivable. Actual results could differ from those estimates.

Cash and cash equivalents -

Cash consists of cash on deposit, cheque's issued and outstanding, and deposits outstanding.

Financial instruments -

The Organization initially measures its financial assets and liabilities at fair value. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in net income. Financial assets and liabilities measured at amortized cost include cash, accounts receivable and accounts payable and accrued expenses. There are currently no financial instruments subsequently measured at fair value.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in net income. Any 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. Any reversal is recognized in net income. There are no impairments in the current year.

Prepaid expenses -

Included in prepaid expenses are costs incurred to determine the rep teams for the following season. These costs include tryout ice, referee and other related costs which will be expensed when the rep teams have been determined.

BARRIE WOMEN'S HOCKEY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventory -

Inventory is stated at the lower of cost and market value. Market value is considered the replacement value or estimated realizable value, whichever is lower.

The cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. The costs of purchase comprise the purchase price, import duties and non-recoverable taxes and transport, handling and other costs directly attributable to the acquisition of finished goods.

Income taxes -

The organization is not subject to federal or provincial income taxes pursuant to exemptions accorded to not-for-profit organizations in the income tax legislation.

Leases -

Leases are classified as either capital or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a capital lease. All other leases are accounted for as operating leases wherein rental payments are expensed as incurred. At the inception of a capital lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair value at the beginning of such lease. Assets recorded under capital leases are amortized on a straight-line basis over the estimated useful lives of the respective assets on commencement of use of the related assets.

Donated Services -

The organization is dependent on the voluntary services of many individuals. Since these services are not normally purchased by the organization and because of the difficulty in estimating their fair value, these services are not recorded in these financial statements.

Revenue recognition -

The Organization follows the deferral method of accounting for contributions.

Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of property, plant and equipment are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related property, plant and equipment.

Fees, tournaments, sponsorship, apparel sales and clinic revenues are recognized when earned, collection is reasonably assured and all significant obligations have been fulfilled.

Interest income is recognized when earned and collection is reasonably assured.

Donated materials and supplies are only recorded as revenue when the estimated fair market value of the items donated can be supported within the policy set out by the Organization, an example of such items are donated jerseys and socks.

BARRIE WOMEN'S HOCKEY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2023

2. FINANCIAL RISKS AND CONCENTRATION OF RISK

The Organization is exposed to the following risks related to its financial assets and liabilities:

Credit risk -

Credit risk arises from the possibility that the entities to which the Organization sells may experience financial difficulty and be unable to fulfill their contractual obligations. This risk is mitigated by proactive credit management policies that include regular monitoring of the debtors' payment history. The Organization provides credit to its customers in the normal course of business. The main customer base is focused on the Barrie area, where other revenues from tournaments may come from customers within central Ontario. Actual exposure to credit losses has been minimal in prior years and there has been no change to the risk exposure from 2022. At year-end, the allowance for doubtful accounts is \$0 (2022 - \$0).

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 accounts payable and accrued expenses, coupon liabilities. The Organization expects to meet these obligations as they come due by generating sufficient cash flow from operations. There has been no change to the risk exposure from 2022.

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 comprises three types of risk: foreign currency risk, interest rate risk and other price risk.

Foreign currency risk -

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Organization is not exposed to currency risk. There has been no change to the risk exposure from 2022.

Interest rate risk -

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The Organization is not currently exposed to interest rate risk. There has been no change to the risk exposure from 2022.

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 not exposed to other price risk.

BARRIE WOMEN'S HOCKEY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2023

3. LOAN RECEIVABLE

The loan receivable supports the Intermediate AA team, is non-interest bearing and repayable over four years in \$5,000 increments.

	<u>2023</u>	<u>2022</u>
Total receivable	\$ 5,000	\$ 9,000
Less: current portion	<u>5,000</u>	<u>4,000</u>
	<u>\$ 0</u>	<u>\$ 5,000</u>

4. PROPERTY, PLANT AND EQUIPMENT

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2023</u>	<u>Net 2022</u>
Rep sweaters	\$ 12,891	\$ 11,114	\$ 1,777	\$ 6,142
Tryout sweaters	5,352	1,784	3,568	4,460
Hockey equipment	27,640	9,213	18,427	0
Office furniture and equipment	15,310	11,846	3,464	1,153
Other capital asset	<u>463</u>	<u>308</u>	<u>155</u>	<u>309</u>
	<u>\$ 61,656</u>	<u>\$ 34,265</u>	<u>\$ 27,391</u>	<u>\$ 12,064</u>

Property, plant and equipment are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Rep sweaters	- 3 year straight line basis
Tryout sweaters	- 6 year straight line basis
Hockey equipment	- 3 year straight line basis
Office furniture and equipment	- 20% declining balance
Other capital asset	- 3 year straight line basis

5. UNAMORTIZED CAPITAL GRANTS

Unamortized capital grants represent a grant received from the City of Barrie restricted to purchase capital assets. These amounts are being amortized on the same basis as the capital asset group to which they relate. The changes for the year are as follows:

	<u>2023</u>	<u>2022</u>
Beginning balance	\$ 0	\$ 0
Amount received related to future periods	15,000	0
Amount recognized as revenue in the year	<u>(5,000)</u>	<u>0</u>
	<u>\$ 10,000</u>	<u>\$ 0</u>

BARRIE WOMEN'S HOCKEY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2023

6. NET ASSETS INVESTED IN PROPERTY, PLANT AND EQUIPMENT

The net assets invested in property, plant and equipment consists of the following:

	<u>2023</u>	<u>2022</u>
Net book value of property, plant and equipment	\$ 27,391	\$ 12,064
Unamortized Grants	<u>(10,000)</u>	<u>0</u>
Net assets invested in capital assets	<u>\$ 17,391</u>	<u>\$ 12,064</u>

The changes in net assets invested in property, plant and equipment is calculated as follows:

Purchase of property, plant and equipment	\$ 30,817	\$ 11,349
Amortization	(15,423)	(12,720)
Amortization of grants	5,000	0
Property plant and equipment grants	(15,000)	0
Net book value of property, plant and equipment sold	<u>(67)</u>	<u>(67)</u>
Change in net assets invested in property, plant and equipment	<u>\$ 5,327</u>	<u>\$ (1,438)</u>

7. RECEIPTS RECORDED NET OF DISBURSEMENTS

Promotional apparel consists of inventory purchased and sold throughout the year. The Organization works to provide apparel on a cost recovery basis to it's membership:

	<u>2023</u>	<u>2022</u>
Apparel sales	\$ 106,800	\$ 53,394
Apparel inventory expensed in the year	<u>(89,536)</u>	<u>(41,332)</u>
	<u>\$ 17,264</u>	<u>\$ 12,062</u>

Fundraising receipts reported net of disbursements consists of:

	<u>2023</u>	<u>2022</u>
Total receipts	\$ 51,499	\$ 1,224
Total disbursements	<u>(43,262)</u>	<u>0</u>
	<u>\$ 8,237</u>	<u>\$ 1,224</u>

8. LEASE COMMITMENTS

The Organization has entered into lease agreements for its premises and a facility use with minimum aggregate annual payments for the next five years as follows:

2024	\$ 61,425
2025	\$ 56,045
2026	\$ 55,312
2027	\$ 31,527
2028	\$ 32,205

BARRIE WOMEN'S HOCKEY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2023

9. GOVERNMENT ASSISTANCE

In prior years, the Organization applied for the Canadian Emergency Wage Subsidy (CEWS) as well as the Canadian Emergency Rent Subsidy (CERS). Eligibility for CEWS and CERS is based on meeting specific criteria.

The subsidies are reported net against their respective expense accounts, there were no such subsidies received in 2023:

	<u>2023</u>	<u>2022</u>
Canadian Emergency Wage Subsidy	\$ 0	\$ (2,087)
Total wages and salaries	<u>0</u>	<u>21,329</u>
Net wages and salaries expense	<u>\$ 0</u>	<u>\$ 19,242</u>
	<u>2023</u>	<u>2022</u>
Canadian Emergency Rent Subsidy	\$ 0	\$ (6,905)
Total office rent	<u>0</u>	<u>21,375</u>
Net office rent expense	<u>\$ 0</u>	<u>\$ 14,470</u>
