

BARRIE WOMEN'S HOCKEY ASSOCIATION

FINANCIAL STATEMENTS

APRIL 30, 2024

SMITH, SYKES, LEEPER & TUNSTALL LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

LICENSED PUBLIC ACCOUNTANTS

BARRIE WOMEN'S HOCKEY ASSOCIATION

FINANCIAL STATEMENTS

APRIL 30, 2024

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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, 2024** 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, 2024** 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.
May 5th, 2025.

BARRIE WOMEN'S HOCKEY ASSOCIATION

(Incorporated Under the Laws of Ontario)

BALANCE SHEET**APRIL 30, 2024**

	2024	2023
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 206,178	\$ 308,820
Accounts receivable	43,389	41,850
Inventory	40,355	40,676
Prepaid expenses	41,545	28,871
HST recoverable	668	278
Current portion of loan receivable	<u>0</u>	<u>5,000</u>
	332,135	425,495
Property, plant and equipment (Note 4)	44,699	27,391
	\$ 376,834	\$ 452,886
<u>LIABILITIES</u>		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 43,201	\$ 86,849
Deferred contribution	4,705	3,325
Deferred fees and deposits	57,950	84,800
Government remittances payable	<u>220</u>	<u>909</u>
	106,076	175,883
Unamortized capital grants (Note 5)	<u>5,000</u>	<u>10,000</u>
	111,076	185,883
<u>NET ASSETS</u>		
Invested in property, plant and equipment (Note 6)	39,699	17,391
Unrestricted net assets	<u>226,059</u>	<u>249,612</u>
	265,758	267,003
	\$ 376,834	\$ 452,886

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, 2024**

	2024			2023
	Invested in Property, plant and equipment	Unrestricted	Total	Total
Net assets, beginning of the year	\$ 17,391	\$ 249,612	\$ 267,003	\$ 282,897
Excess of revenues over expenditures	0	(1,245)	(1,245)	(15,894)
Changes in net assets invested in property, plant and equipment (Note 6)	22,308	(22,308)	0	0
NET ASSETS, END OF THE YEAR	\$ 39,699	\$ 226,059	\$ 265,758	\$ 267,003

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, 2024**

	2024	2023
REVENUE		
Competitive Team Fees	\$ 449,412	\$ 464,131
Registration Fees	366,732	306,469
Tournaments	224,480	189,124
Clinics	55,105	25,200
Promotional apparel, net of expenditures (Note 7)	20,639	17,264
Sponsors and donations	17,932	12,800
Interest	14,278	10,207
City of Barrie grant (Note 5)	5,000	5,000
Fundraising, net of expenditures (Note 7)	1,131	8,237
Ontario Trillium Fund	0	7,317
	1,154,709	1,045,749
OPERATING EXPENSES		
Ice rentals	598,763	536,402
Tournaments	158,936	139,343
Referees	74,329	72,837
Clinics	72,156	56,305
OWHA league and insurance fees	60,278	45,122
Office and miscellaneous	43,535	41,367
Equipment and supplies	37,554	22,417
Office Rent	32,928	21,832
Amortization	23,199	15,423
Wages and benefits	23,550	27,052
Professional fees	22,633	18,713
Team pictures	4,227	3,242
Trophies	3,866	2,934
Deficit from 22/23 Intermediate AA team	0	58,654
	1,155,954	1,061,643
EXCESS OF (EXPENDITURES OVER REVENUES) FOR THE YEAR	\$ (1,245)	\$ (15,894)

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, 2024

	2024	2023
CASH PROVIDED BY (USED FOR)		
OPERATIONS		
Excess of (expenditures over revenues) for the year	\$ (1,245)	\$ (15,894)
Items not requiring an outlay of cash:		
Amortization	23,199	15,423
(Gain) on disposal of property, plant and equipment	<u>(1,513)</u>	<u>(957)</u>
	20,441	(1,428)
Changes in operating working capital		
Accounts receivable	(1,539)	6,126
Inventory	321	(5,126)
Prepaid expenses	(12,674)	(3,501)
HST recoverable	(390)	288
Current portion of loan receivable	5,000	(1,000)
Accounts payable and accrued expenses	(43,648)	66,556
Deferred contributions	1,380	(2,552)
Deferred fees and deposits	(26,850)	62,350
Government remittances payable	<u>(689)</u>	<u>326</u>
	<u>(79,089)</u>	<u>123,467</u>
CASH (USED FOR) PROVIDED BY OPERATIONS	<u>(58,648)</u>	<u>122,039</u>
FINANCING		
(Decrease) increase in unamortized capital grants	<u>(5,000)</u>	<u>10,000</u>
CASH (USED FOR) PROVIDED BY FINANCING	<u>(5,000)</u>	<u>10,000</u>
INVESTING		
Decrease in loan receivable	0	5,000
Additions to property, plant and equipment	(40,659)	(30,817)
Proceeds on disposal of property, plant and equipment	<u>1,665</u>	<u>1,024</u>
CASH (USED FOR) INVESTING	<u>(38,994)</u>	<u>(24,793)</u>
NET CHANGE IN CASH POSITION	<u>(102,642)</u>	<u>107,246</u>
Cash position, beginning of the year	308,820	201,574
CASH POSITION, END OF THE YEAR	\$ 206,178	\$ 308,820

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

BARRIE WOMEN'S HOCKEY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2024

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 competitive 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, 2024

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, 2024

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 2023. At year-end, the allowance for doubtful accounts is \$0 (2023 - \$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 2023.

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 2023.

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 2023.

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, 2024

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>2024</u>	<u>2023</u>
Total receivable	\$ 0	\$ 5,000
Less: current portion	<u>0</u>	<u>5,000</u>
	<u>\$ 0</u>	<u>\$ 0</u>

4. PROPERTY, PLANT AND EQUIPMENT

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2024</u>	<u>Net 2023</u>
Competitive sweaters	\$ 32,124	\$ 14,330	\$ 17,794	\$ 1,777
Leasehold improvements	13,098	1,310	11,788	0
Tryout sweaters	5,352	2,676	2,676	3,568
Hockey equipment	28,324	18,654	9,670	18,427
Office furniture and equipment	15,310	12,539	2,771	3,464
Other capital asset	<u>463</u>	<u>463</u>	<u>0</u>	<u>155</u>
	<u>\$ 94,671</u>	<u>\$ 49,972</u>	<u>\$ 44,699</u>	<u>\$ 27,391</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:

Competitive sweaters	- 3 year straight line basis
Leasehold improvements	- Straight line over the term of the lease
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>2024</u>	<u>2023</u>
Beginning balance	\$ 10,000	\$ 0
Amount received related to future periods	0	15,000
Amount recognized as revenue in the year	<u>(5,000)</u>	<u>(5,000)</u>
	<u>\$ 5,000</u>	<u>\$ 10,000</u>

BARRIE WOMEN'S HOCKEY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2024

6. NET ASSETS INVESTED IN PROPERTY, PLANT AND EQUIPMENT

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

	<u>2024</u>	<u>2023</u>
Net book value of property, plant and equipment	\$ 44,699	\$ 27,391
Unamortized Grants	<u>(5,000)</u>	<u>(10,000)</u>
Net assets invested in capital assets	<u>\$ 39,699</u>	<u>\$ 17,391</u>

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

Purchase of property, plant and equipment	\$ 40,659	\$ 30,817
Amortization	(23,199)	(15,423)
Amortization of grants	5,000	5,000
Property plant and equipment grants	0	(15,000)
Net book value of property, plant and equipment sold	<u>(152)</u>	<u>(67)</u>
Change in net assets invested in property, plant and equipment	<u>\$ 22,308</u>	<u>\$ 5,327</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>2024</u>	<u>2023</u>
Apparel sales	\$ 119,669	\$ 106,800
Apparel inventory expensed in the year	<u>(99,030)</u>	<u>(89,536)</u>
	<u>\$ 20,639</u>	<u>\$ 17,264</u>

Fundraising receipts reported net of disbursements consists of:

	<u>2024</u>	<u>2023</u>
Total receipts	\$ 12,037	\$ 51,499
Total disbursements	<u>(10,906)</u>	<u>(43,262)</u>
	<u>\$ 1,131</u>	<u>\$ 8,237</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:

2025	\$ 54,124
2026	\$ 55,312
2027	\$ 31,527
2028	\$ 32,205
2029	\$ 16,272