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**CENTRAL YORK GIRLS HOCKEY ASSOCIATION**

**Financial Statements**

**Year Ended April 30, 2022**

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**CENTRAL YORK GIRLS HOCKEY ASSOCIATION**

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**Year Ended April 30, 2022**

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## INDEPENDENT AUDITOR'S REPORT

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To the Directors of Central York Girls Hockey Association

### *Opinion*

We have audited the financial statements of Central York Girls Hockey Association (the organization), which comprise the statement of financial position as at April 30, 2022, 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 our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at April 30, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

### *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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with 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.

### *Other Matter*

The financial statements for the year ended April 30, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on July 7, 2021.

### *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 ASNPO, 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*

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 auditor's 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.

Independent Auditor's Report To the Directors of Central York Girls Hockey Association (*continued*)

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 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 a 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 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.

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.

*NVS Professional Corporation*

NVS Professional Corporation  
Chartered Professional Accountants  
Authorized to practise public accounting by  
the Chartered Professional Accountants of Ontario

Markham, Ontario  
September 22, 2022

**CENTRAL YORK GIRLS HOCKEY ASSOCIATION**

**Statement of Financial Position**

**April 30, 2022**

	2022	2021
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 342,792	\$ 162,476
Accounts receivable	22,437	15,527
Canadian Emergency Wage Subsidy	-	8,124
Inventory (Note 3)	31,275	-
Prepaid expenses	41,017	75,573
	<u>437,521</u>	<u>261,700</u>
CAPITAL ASSETS (Net) (Note 4)	<u>15,969</u>	<u>8,345</u>
	<u>\$ 453,490</u>	<u>\$ 270,045</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 7,557	\$ 10,358
Payroll taxes payable	2,026	3,546
Deferred grant (Note 5)	20,172	-
Deferred revenue (Note 6)	37,247	-
	<u>67,002</u>	<u>13,904</u>
<b>NET ASSETS</b>		
Net assets invested in capital assets	6,628	8,345
Unrestricted net assets	379,860	247,796
	<u>386,488</u>	<u>256,141</u>
	<u>\$ 453,490</u>	<u>\$ 270,045</u>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_  
*Director*

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*Director*

# CENTRAL YORK GIRLS HOCKEY ASSOCIATION

## Statement of Operations

Year Ended April 30, 2022

	2022	2021
<b>REVENUES</b>		
Rep teams	\$ 589,151	\$ 271,562
House league	329,718	127,935
House league tournament	52,514	-
Developmental stream program	95,355	1,639
Silver stick tournament	67,807	-
Grant revenue <i>(Note 7)</i>	68,028	-
Fundraising and donations	4,029	13,380
Canadian Emergency Wage Subsidy <i>(Note 8)</i>	1,354	44,954
Miscellaneous	31,365	237
	<u>1,239,321</u>	<u>459,707</u>
<b>EXPENSES</b>		
Ice rental	612,241	188,363
Rep teams	165,014	70,034
Development expenses	97,646	-
House league	98,048	26,541
Staffing	45,165	77,358
Office expenses	13,952	9,204
League	3,919	6,830
Professional fees	6,085	5,311
Insurance and registration	19,745	44,621
House league tournament	14,680	-
Depreciation - machinery, equipment, furniture and fixtures	1,717	2,222
Silver Stick tournament	24,161	-
Bank and credit card charges	1,560	10,056
Advertising and promotion	4,071	2,866
Fundraising and promotion	970	-
	<u>1,108,974</u>	<u>443,406</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u>\$ 130,347</u>	<u>\$ 16,301</u>

**CENTRAL YORK GIRLS HOCKEY ASSOCIATION****Statement of Changes in Net Assets****Year Ended April 30, 2022**

	2021 Balance	Excess of revenues over expenses	Investment in capital assets	Amortization	2022 Balance
Unrestricted Net Assets	\$ 247,796	\$ 130,347	\$ 1,717	\$ -	\$ 379,860
Net Assets Invested in Capital Assets	8,345	-	-	(1,717)	6,628
	<u>\$ 256,141</u>	<u>\$ 130,347</u>	<u>\$ 1,717</u>	<u>\$ (1,717)</u>	<u>\$ 386,488</u>

  

	2020 Balance	Excess of revenues over expenses	Investment in capital assets	Amortization	2021 Balance
Unrestricted Net Assets	\$ 229,273	\$ 16,301	\$ 2,222	\$ -	\$ 247,796
Net Assets Invested in Capital Assets	10,567	-	-	(2,222)	8,345
	<u>\$ 239,840</u>	<u>\$ 16,301</u>	<u>\$ 2,222</u>	<u>\$ (2,222)</u>	<u>\$ 256,141</u>

**CENTRAL YORK GIRLS HOCKEY ASSOCIATION****Statement of Cash Flows****Year Ended April 30, 2022**

	2022	2021
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 130,347	\$ 16,301
Item not affecting cash:		
Amortization	1,717	2,222
	<u>132,064</u>	<u>18,523</u>
Changes in non-cash working capital:		
Accounts receivable	(6,910)	(13,977)
Canadian Emergency Wage Subsidy	8,124	(8,124)
Inventory	(31,275)	-
Prepaid expenses	34,556	(48,882)
Deferred grant	20,172	-
Deferred revenue	37,247	-
Accounts payable and accrued liabilities	(2,801)	(57,293)
Payroll taxes payable	(1,520)	5,863
	<u>57,593</u>	<u>(122,413)</u>
Cash flow from (used by) operating activities	<u>189,657</u>	<u>(103,890)</u>
<b>INVESTING ACTIVITY</b>		
Purchase of capital assets	<u>(9,341)</u>	<u>-</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>180,316</b>	<b>(103,890)</b>
Cash - beginning of year	<u>162,476</u>	<u>266,366</u>
<b>CASH - END OF YEAR</b>	<u>\$ 342,792</u>	<u>\$ 162,476</u>



# CENTRAL YORK GIRLS HOCKEY ASSOCIATION

## Notes to Financial Statements

Year Ended April 30, 2022

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### 1. PURPOSE OF THE ASSOCIATION

Central York Girls Hockey Association (the "Organization") was incorporated by letters patent November 12, 2014 without share capital and is a non-profit organization under the Business Corporations Act of Ontario. The organization is exempt from taxes under the Income Tax Act. The mission of the Central York Girls Hockey Association is to provide the best recreational sport experience for female hockey players of all ages in York Region as an affiliate of the Ontario Women's Hockey Association by authority of the Canadian Hockey Association.

The uncertainties around the outbreak of the COVID-19 pandemic required the use of significant judgment and estimates. As at April 30, 2022, the organization has not noted any significant impairment as a result of COVID-19. The uncertain future impact of COVID-19 could generate, in future reporting periods, a significant risk of material adjustments to the carrying amount of: accounts receivable and payables. As an emerging risk, the duration and full financial effect of the COVID-19 pandemic is unknown at this time, and accordingly estimates of the extent to which the COVID-19 may materially and adversely affect the organization's financial condition, operations and financial results are subject to significant uncertainty.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO), as issued by the Canadian Accounting Standards Board and reflect the following policies.

#### Fund accounting

Central York Girls Hockey Association follows the deferral method of accounting for its activities.

Revenues and expenses related to program delivery and administrative activities are reported in the Operating Fund.

The Capital Fund reports the assets, liabilities, revenues, and expenses related to Central York Girls Hockey Association's capital assets and building improvements campaign.

#### Revenue recognition

The organization receives revenues from registration fees, sponsorships, try-outs, donations, fundraising and miscellaneous. These revenues are recognized in the hockey season to which they apply. The season typically ends April 30.

#### Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

Contributed materials provided by other organizations or individuals that would otherwise need to be purchased if not provided by donations are recognized as revenue and expense.

#### Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a weighted average basis.

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# CENTRAL YORK GIRLS HOCKEY ASSOCIATION

## Notes to Financial Statements

Year Ended April 30, 2022

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### Cash equivalents

Cash on hand and bank balances are classified and presented as cash.

#### Capital assets and amortization

Capital assets is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Office equipment	20%	declining balance method
Computer equipment	55%	declining balance method
Leasehold improvements	N/A	

Amortization of office equipment and computer equipment is charged on a declining balance basis at a rate of 20% and 55%, respectively, which reflects the pattern in which the assets' future economic benefits are expected to be consumed. Amortization of the cost of leasehold improvements is charged on a straight-line basis over the life of the lease agreement. In the year the asset becomes operational or is purchased, amortization is pro-rated. Repairs and maintenance are charged to expenditures as incurred.

#### Financial instruments

The organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

The financial assets subsequently measured at amortized cost include cash, accounts receivable and government remittances. The financial liabilities measured at amortized cost include trade accounts payable and accrued liabilities.

#### Income taxes

The organization is exempt from income taxes under Section 149 of the Income tax Act (Canada).

#### Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

### 3. INVENTORY

Inventory is made up of the following:

	<u>2022</u>	<u>2021</u>
Jerseys	\$ 26,212	\$ -
Socks	5,063	-
	<u>\$ 31,275</u>	<u>\$ -</u>

**CENTRAL YORK GIRLS HOCKEY ASSOCIATION**

**Notes to Financial Statements**

**Year Ended April 30, 2022**

**4. CAPITAL ASSETS**

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Furniture & equipment: Furniture & equipment-cost	\$ 19,864	\$ 13,298	\$ 6,566	\$ 8,207
Computer equipment: Computer equipment-cost	2,625	2,563	62	138
Lease Improv Jr Panthers Dress	9,341	-	9,341	-
	<u>\$ 31,830</u>	<u>\$ 15,861</u>	<u>\$ 15,969</u>	<u>\$ 8,345</u>

Amortization for the year amounted to \$1,717 (2021 - \$2,222).

The Organization commenced a leasehold improvement during the fiscal year ended April 30, 2022. Amortization will commence once the construction is complete.

**5. DEFERRED REVENUE**

Deferred revenue is made up of prepaid registration fees for upcoming leagues and tournaments.

**6. DEFERRED GRANT**

	2022	2021
Ontario Trillium Foundation - Community Building Fund	<u>\$ 20,172</u>	<u>\$ -</u>
Continuity of deferred grant for the year is as follows:		
Grant received/ receivable during the year	\$ 88,200	\$ -
Less - grant recognised during the year	<u>(68,028)</u>	<u>-</u>
	<u>\$ 20,172</u>	<u>\$ -</u>

**7. GOVERNMENT GRANT REVENUE**

Government grant revenue comprised as follows:

	2022	2021
Ontario Trillium Foundation - Community Building Fund	<u>\$ 68,028</u>	<u>\$ -</u>

**8. CANADIAN EMERGENCY WAGE SUBSIDY (CEWS)**

During the 2022 fiscal year, the Organization applied for and received the Canada Emergency Wage Subsidy (CEWS) made available by the Federal government in response to COVID-19. The CEWS was made available to eligible employers who experienced a significant decline in revenues as a result of the COVID-19 impact on operations and served as an incentive to retain employees. During the 2022 fiscal year, the Organization received \$1,354 (2021: \$44,954) from the CEWS program and is recognized as revenue in the Statement of Operations. The organization has met all the terms and conditions to be eligible for CEWS.

# CENTRAL YORK GIRLS HOCKEY ASSOCIATION

## Notes to Financial Statements

Year Ended April 30, 2022

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### 9. RELATED PARTY TRANSACTIONS

No remuneration was paid to directors and officers during the year and they had no interest in any transactions of the organization. No other related party transactions occurred.

### 10. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of April 30, 2022.

#### Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

#### 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 receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

#### 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. Management believes the organization is not subject to market, currency or other price risks.

### 11. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.