

RIDGE-MEADOWS MINOR HOCKEY ASSOCIATION
FINANCIAL STATEMENTS
Year Ended March 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Ridge-Meadows Minor Hockey Association

Report on the Financial Statements

Opinion

We have audited the financial statements of Ridge-Meadows Minor Hockey Association (the association), which comprise the statement of financial position as at March 31, 2024, and the statements of revenues and expenditures, changes in net assets and cash flow 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 association as at March 31, 2024, and the results of its operations and cash flow 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 association 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.

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 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 the association or to cease operations, or has no realistic alternative but to do so.

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

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Independent Auditor's Report to the Members of Ridge-Meadows Minor 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 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 the 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 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 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian Accounting Standards for Not-for-profit Organizations have been applied on a basis consistent with that of the preceding year.

Empire CPA

EMPIRE, CHARTERED PROFESSIONAL ACCOUNTANTS

Maple Ridge, BC
March 31, 2025

RIDGE-MEADOWS MINOR HOCKEY ASSOCIATION
STATEMENT OF REVENUES AND EXPENDITURES
Year Ended March 31, 2024

	2024	2023
REVENUES		
A Player fees	\$ 347,497	\$ 264,647
Community gaming grant (<i>Note 8</i>)	100,000	100,000
Development income	93,092	104,625
Fundraising and donations	117,004	65,679
Jersey rentals	37,500	35,805
Registration fees	962,174	885,001
Tournament income	292,139	231,261
	1,949,406	1,687,018
EXPENDITURES		
Advertising and promotion	14,381	8,966
Amortization	50,178	52,328
Auditing fees	10,965	7,875
Bank charges	11,850	7,657
Bookkeeping	19,719	17,199
Coaching development	4,057	3,581
Conventions	3,529	7,566
Fundraising expenses	23,217	14,377
Hockey supplies	58,937	32,320
Ice rental	779,336	695,055
Insurance	43,951	35,919
Legal fees	1,431	5,106
Membership dues	64,881	67,595
Office	24,798	22,145
Player evaluation, development and coaching	238,963	223,766
Referees	127,894	141,852
Scholarships	3,000	2,000
Tournament expenses	176,273	145,332
Wages and benefits	194,346	163,457
	1,851,706	1,654,096
Excess of revenues over expenditures from operations	97,700	32,922
Other income		
Interest income	4,430	2,320
EXCESS OF REVENUES OVER EXPENDITURES	\$ 102,130	\$ 35,242

See notes to financial statements

RIDGE-MEADOWS MINOR HOCKEY ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
Year Ended March 31, 2024

	2023 Balance	Excess of revenues over expenditures	Contributions	Transfers	2024 Balance
Contingency Reserve	\$ 141,357	\$ -	\$ 3,186	\$ -	\$ 144,543
Tangible Capital Replacement Reserve	82,318	-	-	37,500	119,818
Internally Restricted	223,675	-	3,186	37,500	264,361
General Reserve	252,973	102,130	-	(37,500)	317,603
Net Assets, end of the year	\$ 476,648	\$ 102,130	\$ 3,186	\$ -	\$ 581,964

	2022 Balance	Excess of revenues over expenditures	Contributions	Transfers	2023 Balance
Contingency Reserve	\$ 139,691	\$ -	\$ 1,666	\$ -	\$ 141,357
Tangible Capital Replacement Reserve	46,513	-	-	35,805	82,318
Internally Restricted	186,204	-	1,666	35,805	223,675
General Reserve	253,536	35,242	-	(35,805)	252,973
Net Assets, end of the year	\$ 439,740	\$ 35,242	\$ 1,666	\$ -	\$ 476,648

See notes to financial statements

RIDGE-MEADOWS MINOR HOCKEY ASSOCIATION
STATEMENT OF CASH FLOWS
Year Ended March 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 102,130	\$ 35,242
Item not affecting cash:		
Amortization of tangible capital assets	50,178	52,328
	152,308	87,570
Changes in non-cash working capital:		
Accounts receivable	-	11,028
Accounts payable and accrued liabilities	100,483	(51,793)
	100,483	(40,765)
Cash flow from operating activities	252,791	46,805
INVESTING ACTIVITY		
Purchase of tangible capital assets	(43,457)	(27,522)
FINANCING ACTIVITY		
Repayment of CEBA loan	(40,000)	-
INCREASE IN CASH FLOW	169,334	19,283
Cash - beginning of year	280,952	261,669
CASH - END OF YEAR	\$ 450,286	\$ 280,952
CASH CONSISTS OF:		
Cash	\$ 269,913	\$ 105,010
Term deposits	180,372	175,942
	\$ 450,285	\$ 280,952

See notes to financial statements

RIDGE-MEADOWS MINOR HOCKEY ASSOCIATION
STATEMENT OF FINANCIAL POSITION
March 31, 2024

	2024	2023
ASSETS		
Current		
Cash	\$ 269,913	\$ 105,010
Term deposits (Note 3)	180,372	175,942
	450,285	280,952
Tangible capital assets (Note 4)	100,923	107,645
Internally restricted deposits (Note 5)	144,543	141,357
	\$ 695,751	\$ 529,954
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	\$ 113,787	\$ 13,306
CEBA loan (Note 7)	-	40,000
	113,787	53,306
NET ASSETS		
Unrestricted net assets	317,603	252,973
Internally restricted net assets	264,361	223,675
	581,964	476,648
	\$ 695,751	\$ 529,954

APPROVED BY THE DIRECTORS

Derek Dudulec

Director

Brad Scott

Director

See notes to financial statements

RIDGE-MEADOWS MINOR HOCKEY ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Year Ended March 31, 2024

1. PURPOSE AND NATURE OF THE ASSOCIATION

Ridge-Meadows Minor Hockey Association (the "Association") is a not-for-profit organization incorporated provincially under the Society Act of British Columbia. The Association encourages, promotes and conducts the sport of amateur hockey in the cities of Maple Ridge and Pitt Meadows, British Columbia.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, and include the following significant accounting policies:

Revenue recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

A Player fees is additional fees for individuals playing in league are recognized as they are earned in accordance to their applicable registration periods.

Development income comprises of registrations in development programs and is recognised as it is earned.

Government grants are included in income when it is reasonably assured that the Association has complied with and will continue to comply with all the conditions of the grant.

Tournament, registration, fundraising and donations and jersey rental income are recognized as they are earned in accordance to their applicable registration periods.

Interest income on short-term investments is recorded on an accrual basis.

Tangible capital assets

Tangible capital assets and amortization is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life at the following rates and methods:

Furniture and equipment	20% declining balance method
Hockey equipment	20% declining balance method

The Association regularly reviews its tangible capital assets and amortization to eliminate obsolete items. Government grants are treated as a reduction of tangible capital assets and amortization cost.

Tangible capital assets and amortization acquired during the year but not placed into use are not amortized until they are placed into use.

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 materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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RIDGE-MEADOWS MINOR HOCKEY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
Year Ended March 31, 2024

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

Income taxes

The Association is exempt from Federal and Provincial income taxes.

Use of Estimates

The preparation of the Association's financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements as well as reported amounts of revenues and expenses during the reported period. Actual results may differ from those estimates.

By their nature, these judgments are subject to measurements uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

Financial instruments

Financial instruments of the Association consist of cash, accounts receivable, accounts payable and accrued liabilities, and long term debt. The carrying amounts of these financial instruments approximate their fair value due to the immediate or short-term maturity of these financial instruments.

The Association recognizes its financial instruments when it becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

Financial asset impairment

The Association assesses impairment of all its financial assets measured at cost or amortized cost. The Association groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments etc. in determining whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

Any impairment, which is not considered temporary, is included in current year excess of revenue over expenses.

The Association reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenue over expenses in the year the reversal occurs.

3. TERM DEPOSITS

Term deposits consist of guaranteed investment certificates earning fixed interest of 5.25% that mature in February 2025.

RIDGE-MEADOWS MINOR HOCKEY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
Year Ended March 31, 2024

4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Furniture and equipment	\$ 19,000	\$ 19,000	\$ -	\$ 100
Hockey equipment	315,856	214,933	100,923	107,545
	\$ 334,856	\$ 233,933	\$ 100,923	\$ 107,645

5. INTERNALLY RESTRICTED DEPOSITS

The Association has allocated funds for future contingencies and scholarships. The Association may not make use of these internally restricted amounts for any other purposes without the approval of the Board of Directors.

	2024	2023
Cash to be held for future contingencies. Requires authorization of an Annual General Meeting for expenditure.	\$ 132,401	\$ 127,715
Cash to be held for future Scholarship Fund. This fund is used to award two annual scholarships of \$1,000 each to a minor hockey player graduating from high school and advancing to post secondary school.	7,374	7,374
Cash to be held for The RMMHA Jim Lindsay Memorial Scholarship Fund. This fund is used to award one annual scholarship of \$1,500 to a minor hockey player graduating from high school and advancing to post secondary school.	4,768	6,268
	\$ 144,543	\$ 141,357

6. TANGIBLE CAPITAL REPLACEMENT RESERVE

During the year ended March 31, 2016, the Board created a Tangible Capital Replacement Reserve. The purpose of this fund is to set aside revenue from registration fees for hockey equipment replacement.

RIDGE-MEADOWS MINOR HOCKEY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
Year Ended March 31, 2024

7. CANADA EMERGENCY BUSINESS ACCOUNT

The Canada Emergency Business Account (CEBA) loan is interest free if repaid by January 18, 2024 and the Government of Canada will forgive 33%, up to \$20,000, of the loan amount if repaid on time. The estimated repayable amount had been reflected in the financial statements as a liability with \$20,000 of the forgivable amount being reported as other income in previous years. If the Association is unable to payback the CEBA loan by January 18, 2024, the entire \$60,000 will be converted into a two year term loan with interest at 5%. The Association repaid this loan before the January 18, 2024 deadline.

8. COMMUNITY GAMING GRANT REVENUE

The Association received a Community Gaming Grant of \$100,000 (2023 - \$100,000) from the Province of British Columbia. This grant is directed to be used to assist with costs for ice rentals, development providers and other costs essential to program delivery. It is conditional upon submission of a successful grant application and available funding from the Community Gaming Grant Program.

9. REMUNERATION PAID

During the year, the Association paid wages of \$107,733 to one employee (2023 - \$95,600 to one employee) who was paid in excess of \$75,000.

10. CAPITAL DISCLOSURE

The Association defines its capital as the amounts included in its net asset balances.

The Association's objective when managing its capital is to safeguard the Association's ability to continue as a going concern so that it can continue to provide the appropriate level of benefits and services to the communities of Maple Ridge and Pitt Meadows through its amateur hockey programs.

11. FINANCIAL INSTRUMENTS

Financial instruments of the Association consist of cash, accounts payable and accrued liabilities. The carrying amounts of these financial instruments approximate their fair value due to the immediate or short-term maturity of these financial instruments.

The Association recognizes its financial instruments when it becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Association's main credit risk consists principally of cash and term deposits. The Company maintains cash and deposits with reputable and major financial institutions. The Company considers the risk of non-performance of these instruments to be acceptable and appropriately managed.

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RIDGE-MEADOWS MINOR HOCKEY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
Year Ended March 31, 2024

11. FINANCIAL INSTRUMENTS *(continued)*

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society's exposure to liquidity risk is dependent on the sale of services, purchasing commitments and obligations or raising funds to meet commitments and sustain operations.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Association manages exposure through investing in Guaranteed Investment Certificates (GICs) with fixed interest rates.

12. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation. Player summer development training expense has been reclassified from referees to player evaluation, development and coaching. First aid expense has been reclassified to office expenses.