Dartmouth Whalers Minor Hockey Association
Financial Statements
April 30, 2024

Contents

For the year ended April 30, 2024

Independent Practitioner's Review Engagement Report

MNP

To the Board of Dartmouth Whalers Minor Hockey Association:

We have reviewed the accompanying financial statements of Dartmouth Whalers Minor Hockey Association (the "Association") which comprise the statement of financial position as at April 30, 2024, and the statements of operations and changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the Association, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Dartmouth Whalers Minor 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.

Comparative Information

Without modifying our conclusion, we draw attention to Note 2 to the financial statements which describes that the Dartmouth Whalers Minor Hockey Association readopted the Canadian accounting standards for not-for-profit organizations on April 30, 2024 with a transition date of May 1, 2022. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statement of financial position as at April 30, 2023 and at May 1, 2022, and the statements of operations and changes in net assets, and cash flows for the year ended April 30, 2023 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is neither audited nor reviewed. Our conclusion is not modified in respect of this matter.

Dartmouth, Nova Scotia

December 16, 2024

MNP LLP

Chartered Professional Accountants

Dartmouth Whalers Minor Hockey Association
Statement of Financial Position
As at April 30, 2024

	2024	2023	May 1 2022
Assets			
Current			
Cash	**280,676**	217,114	218,851
Accounts receivable	**6,421**	17,165	19,552
Inventory *(Note 4)*	**12,046**	11,793	-
Short-term investment *(Note 5)*	**64,440**	62,340	62,340
	363,583	308,412	300,743
Capital assets *(Note 6)*	**41,325**	49,575	-
	404,908	357,987	300,743
Liabilities			
Current			
Accounts payable and accrued liabilities	**25,152**	8,476	7,691
Deferred contributions - player credits *(Note 7)*	**27,131**	32,085	44,131
Deferred contributions - Mary-Beth Chaulk fund *(Note 7)*	**15,965**	15,658	18,071
Deferred contributions - Mooseheads fund *(Note 7)*	**3,097**	3,097	3,097
Deferred contributions - capital contributions	**-**	-	5,700
	71,345	59,316	78,690
Net Assets	**333,563**	298,671	227,742
	404,908	357,987	300,743

Approved on behalf of the Board of Directors

e-Signed by Peter Dulhanty
2024-12-16 17:01:15:15 GMT
Director

The accompanying notes are an integral part of these financial statements

Dartmouth Whalers Minor Hockey Association
Statement of Operations and Changes in Net Assets
For the year ended April 30, 2024

	2024	2023
Revenues		
Registration	**564,048**	626,045
Checking and conditioning	**67,275**	25,780
Merchandise sales	**23,141**	23,876
Sponsorships	**19,295**	16,376
Fundraising	**2,525**	3,307
Interest	**2,100**	2,514
League fees recovery	**1,225**	3,275
Ice recovery	**-**	36,981
	679,609	738,154
Expenses		
Ice rental	**326,957**	345,352
Officiating	**73,428**	69,884
Development	**72,842**	79,868
CHA fees and insurance	**62,736**	63,342
Subcontractor fees	**23,046**	17,600
Office	**15,184**	24,208
Amortization	**18,984**	15,625
Professional fees	**13,088**	-
Bank charges and interest	**11,964**	12,406
Awards	**3,813**	6,277
Cost of sales - inventory *(Note 4)*	**22,675**	21,697
Impairment provision - inventory *(Note 4)*	**-**	10,966
	644,717	667,225
Excess of revenue over expenses	**34,892**	70,929
Net assets, beginning of year	**298,671**	227,742
Net assets, end of year	**333,563**	298,671

The accompanying notes are an integral part of these financial statements

Dartmouth Whalers Minor Hockey Association
Statement of Cash Flows
For the year ended April 30, 2024

	2024	2023
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	**34,892**	70,929
Amortization	**18,984**	15,625
Unrealized interest on short-term investment	**(2,100)**	-
Impairment provision - inventories	**-**	10,966
	51,776	97,520
Changes in working capital accounts		
Accounts receivable	**10,744**	2,387
Inventory	**(253)**	(17,069)
Accounts payable and accrued liabilities	**16,676**	785
Deferred contributions - player credits	**(4,954)**	(12,046)
Deferred contributions - Mary-Beth Chaulk fund	**307**	(2,414)
Deferred contributions - capital contributions	**-**	(5,700)
	74,296	63,463
Investing		
Purchase of capital assets	**(10,734)**	(65,200)
Increase (decrease) in cash resources	**63,562**	(1,737)
Cash resources, beginning of year	**217,114**	218,851
Cash resources, end of year	**280,676**	217,114

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the organization

Dartmouth Whalers Minor Hockey Association (the “Association”) is a non-profit recreational sport society incorporated under the Nova Scotia Societies Act and is exempt from income taxes under Section 149.1(1) of the Income Tax Act.

The Association is responsible for all minor hockey activities within the boundaries established by the Nova Scotia Minor Hockey Council.

2. Change in accounting policies

Impact of readopting accounting standards for not-for-profit organizations

These are the Association’s first financial statements prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) since the year ended April 30, 2020. The Association stopped preparing the financial statements in accordance with these standards and has since resumed based on the needs of the users to the financial statements. The accounting policies in Note 3 have been applied in preparing the financial statements for the year ended April 30, 2024, the comparative information for the year ended April 30, 2023, and the opening ASNPO statement of financial position as at May 1, 2022 (the Association’s date of transition to ASNPO).

In preparing these financial statements, the Association has elected not to apply any transitional provisions permitted by Section 1501 First-time adoption by not-for-profit organizations at the date of transition to ASNPO.

3. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) 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:

Cash

Cash consists of bank balances held with a financial institution.

Short-term investment

The short-term investment consists of a guaranteed investment certificate (GIC) held with a financial institution with a maturity of one year or less.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first in, first out method. Net realizable value is the estimated selling price in the ordinary course of business, less selling costs.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital is recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Jerseys and equipment	straight-line	4 years

Contributed materials

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Association's operations and would otherwise have been purchased. Volunteers contribute a significant number of hours per year to assist the Association in carrying out its activities, because of the difficulty in determining their fair market value, these contributed services are not recognized in the financial statements.

3. Significant accounting policies *(Continued from previous page)*

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.

Restricted contributions related to capital assets represent the unamortized portion of contributed capital assets and restricted contributions that were used to purchase the Association's capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized.

Unrestricted contributions, consisting of sponsorships and fundraising, are recognized as revenue in the period received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Registration and camp fees are recognized as revenue when services are performed, and collection is reasonably assured.

Merchandise sales are recognized when the risks and rewards of ownership have been transferred, which is at the time of sale, and collection is reasonably assured.

Recovery revenues are recognized at the time of receipt or when collection is reasonably assured.

Financial instruments

The Association recognizes financial instruments when the Association becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Association may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Company has not made such an election during the year.

The Association subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Association's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

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; there are numerous assets affected by the same factors; or no asset is individually significant. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Association reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

3. Significant accounting policies *(Continued from previous page)*

Financial instruments *(Continued from previous page)*

Any impairment, which is not considered temporary, is included in current year excess of revenues 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 revenues over expenses in the year the reversal occurs.

Measurement uncertainty (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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory as well as warranty and after sales service costs. Amortization is based on the estimated useful lives of capital assets.

By their nature, these judgments are subject to measurement 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.

4. Inventory

	2024	*2023*
Socks	**11,166**	11,793
Other	**880**	-
	12,046	11,793

The cost of inventories recognized as an expense and included in operating expenses amounted to $22,675 (2023 – $32,663) of which $nil (2023 - $10,966) is attributed to an impairment loss. .

5. Short-term investment

	2024	*2023*
Measured at cost plus accrued interest:		
Bank of Nova Scotia GIC bearing interest at 5%, maturing November 2024.	**64,440**	-
Bank of Nova Scotia GIC bearing interest at 5%, matured November 2023.	**-**	62,340

6. Capital assets

	Cost	***Accumulated amortization***	***2024 Net book value***	*2023 Net book value*
Jerseys and equipment	**75,934**	**34,609**	**41,325**	49,575

7. Deferred contributions

Deferred contributions - player credits

Deferred contributions consist of accrued credits the Association has yet to apply to off-set registration fees. Recognition of these amounts as revenue is deferred until the specified credit has been applied to off-set a player's registration fees. Changes in the deferred contribution balance are as follows:

	2024	*2023*
Balance, beginning of year	**32,085**	44,131
Credits accrued - 50/50 raffle	**8,333**	12,848
Credits accrued - goalies	**16,673**	20,520
Credits accrued - other	**3,935**	-
Less: credits applied during the year	**(33,895)**	(45,414)
Balance, end of year	**27,131**	32,085

Deferred contributions - Mary-Beth Chaulk fund

Deferred contributions consist of unspent contributions externally restricted for the Mary-Beth Chaulk fund. The funds received are designated for registration assistance. Recognition of these amounts as revenue is deferred until the specified expenditures are made. Changes in the deferred contribution balance are as follows:

	2024	*2023*
Balance, beginning of year	**15,658**	18,071
Donations received during the year	**7,070**	3,996
Less: registration assistance granted during the year	**(6,763)**	(6,409)
Balance, end of year	**15,965**	15,658

Deferred contributions - Mooseheads fund

Deferred contributions consist of unspent contributions externally restricted for the Mooseheads fund. The funds received are designated for player assistance such as season registration and the purchase of hockey gear for players. Recognition of these amounts as revenue is deferred until the specified expenditures are made.

8. Financial instruments

The Association, as part of its operations, carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Credit Risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. The Association's main credit risks relate to its accounts receivable. The Association provides credit to its members in the normal course of its operations. Management records an allowance for doubtful accounts based upon an assessment of individual accounts.

Interest rate risk

Interest rate risk is the risk that the Association will experience fluctuations in cash flows due to changes in interest rates related to their short-term investment

8. Financial instruments *(Continued from previous page)*

Concentration risk

The Association is exposed to concentration risk on its cash and short-term investments held with one financial institution. This risk is mitigated as the Association holds its cash and short-term investments with a high-quality Canadian financial institution.