

LETHBRIDGE SPORT COUNCIL

FINANCIAL STATEMENTS

For the year ended December 31, 2023

LETHBRIDGE SPORT COUNCIL
TABLE OF CONTENTS
December 31, 2023

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	2
STATEMENT OF OPERATIONS	3
STATEMENT OF CHANGES IN NET ASSETS	4
STATEMENT OF CASH FLOWS	5
NOTES TO THE FINANCIAL STATEMENTS	6 - 9

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To: The board of directors of
Lethbridge Sport Council

We have reviewed the accompanying financial statements of Lethbridge Sport Council that comprise the statement of financial position as at December 31, 2023, and the statements of operations, 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 entity, 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 Lethbridge Sport Council as at December 31, 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.



Lethbridge, Alberta

March 20, 2024

Chartered Professional Accountants

LETHBRIDGE SPORT COUNCIL
STATEMENT OF FINANCIAL POSITION
As at December 31, 2023

	2023	2022
ASSETS		
Current		
Cash	\$ 363,267	\$ 223,846
Short term investments (note 3)	207,764	52,190
Accounts receivable	4,004	996
GST receivable	1,717	1,325
Prepaid expenses	6,254	3,760
	583,006	282,117
Capital assets (note 4)	9,225	11,134
	\$ 592,231	\$ 293,251
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	\$ 1,384	\$ 3,977
Payroll remittances payable	5,334	3,676
Deferred revenue (note 5)	388,189	94,058
	394,907	101,711
Net assets		
Unrestricted	-	-
Invested in capital assets	9,225	11,134
Reserves	188,099	180,406
	197,324	191,540
	\$ 592,231	\$ 293,251

Approved on behalf of the board:

Director _____

Director _____

LETHBRIDGE SPORT COUNCIL
STATEMENT OF OPERATIONS
For the year ended December 31, 2023

	2023	2022
Revenue		
City of Lethbridge	\$ 236,158	\$ 223,780
Project grants	98,510	16,628
Hiring grants	11,969	12,854
Southern Alberta Summer Games	11,300	12,389
Interest	7,282	1,971
2012 Alberta Summer Games Legacy	6,175	2,161
Sponsorships/Contract services	4,500	6,732
SportFest	3,222	8,062
LSC Community room rental	2,468	3,872
LSC Achievement Awards	1,840	7,078
Strategic planning	-	226
Programs	-	125
	383,424	295,878
Expenses		
Wages and benefits	211,543	207,155
Project grants	104,831	18,781
Office	11,914	13,602
Southern Alberta Summer Games	6,677	4,550
Professional fees	6,400	5,100
Advertising and promotion	4,944	3,964
Video project	4,540	-
SportFest	4,524	8,378
Insurance	4,191	3,847
LSC Achievement awards	2,822	4,754
Telephone and internet	2,732	2,850
Travel	2,531	1,241
Public relations	2,521	-
Programs	1,761	1,388
GST	1,717	1,233
Interest and bank charges	443	1,783
Memberships	393	403
LSC Community room	77	791
Strategic planning	-	226
Amortization	3,079	3,212
	377,640	283,258
Excess of revenue over expenditures from operations	5,784	12,620
Other expense		
Loss on disposal of capital assets	-	93
Excess of revenue over expenditures	\$ 5,784	\$ 12,527

LETHBRIDGE SPORT COUNCIL
STATEMENT OF CHANGES IN NET ASSETS
For the year ended December 31, 2023

	Unrestricted	Invested in capital assets	Reserves	Total 2023	Total 2022
Balance, beginning of year	\$ -	\$ 11,134	\$ 180,406	\$ 191,540	\$ 179,013
Excess of revenue over expenditures	5,784	-	-	5,784	12,527
Purchase of capital assets	(1,170)	1,170	-	-	-
Amortization	3,079	(3,079)	-	-	-
Transfers to reserves	(7,693)	-	7,693	-	-
Balance, end of year	\$ -	\$ 9,225	\$ 188,099	\$ 197,324	\$ 191,540

LETHBRIDGE SPORT COUNCIL
STATEMENT OF CASH FLOWS
For the year ended December 31, 2023

	2023	2022
Cash flows from operating activities		
Excess of revenue over expenditures	\$ 5,784	\$ 12,527
Adjustments for items which do not affect cash		
Amortization	3,079	3,212
Loss on disposal of capital assets	-	93
	8,863	15,832
Change in non-cash working capital items		
Accounts receivable	(3,008)	247
GST receivable	(392)	(534)
Prepaid expenses	(2,494)	(577)
Accounts payable and accrued liabilities	(2,593)	1,727
Payroll remittances payable	1,658	211
Deferred revenue	294,131	(13,114)
	296,165	3,792
Cash flows from investing activities		
Disposal of investment	-	51,623
Purchase of capital assets	(1,170)	(2,740)
	(1,170)	48,883
Net increase in cash	294,995	52,675
Cash, beginning of year	276,036	223,361
Cash, end of year	\$ 571,031	\$ 276,036
 Cash consists of:		
Cash	\$ 363,267	\$ 223,846
Short term investments	207,764	52,190
	\$ 571,031	\$ 276,036

LETHBRIDGE SPORT COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2023

1. Nature of operations

Lethbridge Sport Council is a not-for-profit organization incorporated under the Societies Act of Alberta. The purpose of the Society is to support the enhancement and development of sport within the Lethbridge community.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) Revenue recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year 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.

(b) Cash and cash equivalents

The Society includes cash on hand and amounts held by financial institutions in operating accounts in the determination of cash and cash equivalents.

(c) Capital assets

Capital assets are recorded at cost. The Society provides for amortization using the declining balance method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Furniture and fixtures	20%
Computer equipment	30%
Computer software	30%

(d) Financial instruments

The Society initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures its financial assets and financial liabilities at amortized cost.

(e) Measurement uncertainty

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 disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

(f) Income taxes

Under Section 149(1)(l) of the Income Tax Act, the Society is exempt from income taxes on income earned in the normal course of business.

(g) Contributed services

Volunteers contributed time to assist the Society in carrying out its programs. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

LETHBRIDGE SPORT COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2023

3. **Short term investments**

Short-term investments consist of four rewriteable GICs with interest rates from 3.75% to 5.35% and maturity dates from May 2024 to November 2025.

4. **Capital assets**

			2023			2022
	Cost	Accumulated amortization	Net		Net	
Furniture and fixtures	\$ 32,661	\$ 28,406	\$ 4,255	\$	5,454	
Computer equipment	15,879	11,233	4,646		5,217	
Computer software	15,100	14,776	324		463	
	\$ 63,640	\$ 54,415	\$ 9,225	\$	11,134	

LETHBRIDGE SPORT COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2023

5. **Deferred revenue**

	Balance, beginning of year	Received	Recognized	Transfers	Balance, end of year
City of					
Lethbridge	\$ -	\$ 243,243	\$ -	\$ -	\$ 243,243
Sport For All	-	66,800	(34,222)	426	33,004
Sport					
Participation	36,398	-	(5,000)	-	31,398
Football					
Canada Cup	31,447	546	(750)	-	31,243
Lethbridge					
Game					
Changer:					
Volunteer	-	26,068	(11,112)	-	14,956
Lethbridge					
Game					
Changer:					
Coach	-	8,000	(3,752)	4,942	9,190
Sport Tourism	-	30,000	(21,971)	-	8,029
Board					
Leadership					
Lethbridge	-	10,431	(3,389)	-	7,042
Lethbridge					
Game					
Changer:					
Leaders	-	5,980	(2,522)	-	3,458
Lethbridge					
Plays	2,580	3,551	(3,420)	-	2,711
Communities					
Choosewell -					
RECreate					
Grant	1,840	100	-	-	1,940
Strategy					
Planning	1,373	1,910	(1,988)	-	1,295
Film Festival	-	2,188	(1,508)	-	680
2012 Alberta					
Summer					
Games					
Legacy	11,117	-	(6,175)	(4,942)	-
Return to Play	9,188	-	(8,877)	(311)	-
Champ Chat	115	-	-	(115)	-
	<u>\$ 94,058</u>	<u>\$ 398,817</u>	<u>\$ (104,686)</u>	<u>\$ -</u>	<u>\$ 388,189</u>

LETHBRIDGE SPORT COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2023

6. **Reserves**

The Society has set up the following reserves for future expenditures:

	2023	2022
Administration reserve	\$ 128,387	\$ 124,324
Community room reserve	19,805	17,415
Southern Alberta Summer Games reserve	15,023	10,399
SportFest reserve	10,009	11,311
Bidding and hosting reserve	9,205	9,205
Achievement awards reserve	6,770	7,752
	<u>\$ 189,199</u>	<u>\$ 180,406</u>

7. **Economic dependence**

The Society is economically dependent on the City of Lethbridge for operating funds. In addition, the City has leased the premises at 401 Laval Blvd West Lethbridge to the Society at no charge for the period from May 2011 to December 2023.