

***MANITOBA LACROSSE ASSOCIATION INC.***

FINANCIAL STATEMENTS  
March 31, 2011



**RYAN J. MARSHALL, CHARTERED ACCOUNTANT INC.**

61 Glen Avenue ♦ Winnipeg, Manitoba ♦ R2M 1V4 ♦ (204) 291-2306

**MANITOBA LACROSSE ASSOCIATION INC.**

**INDEX**

March 31, 2011

|  |                      |
|--|----------------------|
| <i>Auditor's Report</i>                | <i>Page 1</i>        |
| <i>Statement of Financial Position</i> | <i>Page 2</i>        |
| <i>Statement of Operations</i>         | <i>Page 3</i>        |
| <i>Statement of Net Assets</i>         | <i>Page 4</i>        |
| <i>Statement of Cash Flows</i>         | <i>Page 5</i>        |
| <i>Notes to Financial Statements</i>   | <i>Pages 6 – 8</i>   |
| <i>Schedule of Expenses</i>            | <i>Page 9</i>        |
| <i>Schedule of Expenses – Detail</i>   | <i>Page 10</i>       |
| <i>Schedule of Sector Expenses</i>     | <i>Pages 11 - 12</i> |



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**RYAN J. MARSHALL, CHARTERED ACCOUNTANT INC.**  
61 GLEN AVENUE ♦ WINNIPEG, MANITOBA ♦ R2M 1V4 ♦ (204) 291-2306

***AUDITOR'S REPORT***

To the Members of,  
Manitoba Lacrosse Association Inc.

I have audited the Statement of Financial Position of **MANITOBA LACROSSE ASSOCIATION INC.** as at March 31, 2011 and the Statements of Operations, Net Assets and Cash Flows for the year then ended. These financial statements are the responsibility of the association's directors. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2011 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*R. Marshall CA INC.*

**November 22, 2011**  
**Winnipeg, Manitoba**

**MANITOBA LACROSSE ASSOCIATION INC.****STATEMENT OF FINANCIAL POSITION**

March 31, 2011

|  | <u>2011</u>       | <u>2010</u>       |
|--|-------------------|-------------------|
| <b>A S S E T S</b>                                     |                   |                   |
| <b>CURRENT:</b>  |                   |                   |
| Cash (note 3)  | \$ 84,885         | \$ 105,088        |
| Accounts receivable                                    | 4,990             | 4,401             |
| Prepaid expenses                                       | <u>6,708</u>      | <u>5,972</u>      |
|  | \$ 96,583         | \$ 115,461        |
| <br><b>TRADEMARK, at cost</b>                          | <br><u>150</u>    | <br><u>150</u>    |
|  | <u>\$ 96,733</u>  | <u>\$ 115,611</u> |
| <b>L I A B I L I T I E S</b>                           |                   |                   |
| <b>CURRENT:</b>  |                   |                   |
| Accounts payable and accrued liabilities               | \$ 6,218          | \$ 13,451         |
| Deferred revenue (note 4)                              | <u>13,953</u>     | <u>13,953</u>     |
|  | \$ 20,171         | \$ 27,404         |
| <br><b>PROGRAM BINGO FUNDS, held in trust (note 3)</b> | <br><u>22,476</u> | <br><u>25,458</u> |
|  | <u>\$ 42,647</u>  | <u>\$ 52,862</u>  |
| <b>N E T A S S E T S</b>                               |                   |                   |
| <b>UNRESTRICTED NET ASSETS (page 4)</b>                | <u>\$ 54,086</u>  | <u>\$ 62,749</u>  |
|  | <u>\$ 96,733</u>  | <u>\$ 115,611</u> |

APPROVED ON BEHALF OF THE BOARD:

\_\_\_\_\_  
Director\_\_\_\_\_  
Director*The accompanying notes are an integral part of this Statement.*

Ryan J. Marshall, Chartered Accountant Inc.

# MANITOBA LACROSSE ASSOCIATION INC.

## STATEMENT OF OPERATIONS

Year ended March 31, 2011

|  | <u>2011</u>       | <u>2010</u>       |
|--|-------------------|-------------------|
| <b>REVENUES:</b>   |                   |                   |
| Sport Manitoba: (note 5 & 6)                             |                   |                   |
| Grant – Base funding                                     | \$ 35,000         | \$ 45,000         |
| Grant - Coaches assistance                               | 2,963             | 4,000             |
| Grant – Developing talent                                | 12,000            | 10,000            |
| Grant – Developing physical literacy                     | 10,000            | 9,875             |
| Grant - Officials assistance                             | 973               | 1,112             |
| Grant - Special initiatives                              | -                 | 1,000             |
| Grant – 2009 Field Nationals – Bingo allocation          | -                 | 3,000             |
| Manitoba Lotteries Corporation - Bingo allocation        | 27,000            | 24,000            |
| Canadian Lacrosse Association                            | 5,862             | 2,881             |
| Clinic fees:   |                   |                   |
| Coaching certification                                   | 2,295             | 2,640             |
| Officials certification                                  | 1,390             | 2,800             |
| Resource and clinic materials                            | 985               | 1,054             |
| Interest income  | 85                | 62                |
| Membership fees  | 43,508            | 36,884            |
| Miscellaneous:   |                   |                   |
| 2009 Field Nationals                                     | -                 | 7,980             |
| Other  | 660               | 150               |
| Programs:  |                   |                   |
| Club field   | -                 | 194               |
| Participant fees – high performance programs             | 100,988           | 86,117            |
| Provincial entry fees                                    | 1,800             | 3,000             |
| Provincial Team – tryout fees/skills                     | 6,560             | 5,800             |
| U13 field  | -                 | 1,425             |
|  | <u>\$ 252,069</u> | <u>\$ 248,974</u> |
| <b>EXPENSES (page 9)</b>                                 | <u>\$ 260,732</u> | <u>\$ 248,906</u> |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER EXPENSES</b> | <u>\$ (8,663)</u> | <u>\$ 68</u>      |

*The accompanying notes are an integral part of this Statement.*

Ryan J. Marshall, Chartered Accountant Inc.

**MANITOBA LACROSSE ASSOCIATION INC.****STATEMENT OF NET ASSETS**

Year ended March 31, 2011

|   | <u>2011</u>      | <u>2010</u>      |
|---|------------------|------------------|
| <b>NET ASSETS</b> , beginning of year                     | \$ 62,749        | \$ 62,681        |
| Excess (deficiency) of revenues over<br>expenses (page 3) | <u>(8,663)</u>   | <u>68</u>        |
| <b>NET ASSETS</b> , end of year                           | <u>\$ 54,086</u> | <u>\$ 62,749</u> |

*The accompanying notes are an integral part of this Statement.*

Ryan J. Marshall, Chartered Accountant Inc.

**MANITOBA LACROSSE ASSOCIATION INC.**

**STATEMENT OF CASH FLOWS**

Year ended March 31, 2011

|   | <u>2011</u>        | <u>2010</u>       |
|---|--------------------|-------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>               |                    |                   |
| Excess (deficiency) of revenues<br>over expenses (page 3) | \$ (8,663)         | \$ 68             |
| <b>Net changes in working capital balances</b>            |                    |                   |
| Accounts receivable                                       | (589)              | 5,782             |
| Prepaid expenses  | (736)              | (3,281)           |
| Accounts payable and accrued liabilities                  | (7,233)            | 3,594             |
| Deferred revenue  | -                  | 3,898             |
| Program bingo funds, held in trust                        | <u>(2,982)</u>     | <u>1,542</u>      |
|   | <u>\$ (20,203)</u> | <u>\$ 11,603</u>  |
| <br><b>INCREASE (DECREASE) IN CASH, during the year</b>   | <br>\$ (20,203)    | <br>\$ 11,603     |
| <b>CASH, beginning of year</b>                            | <u>105,088</u>     | <u>93,485</u>     |
| <b>CASH, end of year</b>                                  | <u>\$ 84,885</u>   | <u>\$ 105,088</u> |

*The accompanying notes are an integral part of this Statement.*

Ryan J. Marshall, Chartered Accountant Inc.

**MANITOBA LACROSSE ASSOCIATION INC.****NOTES TO FINANCIAL STATEMENTS**

March 31, 2011

**1. PURPOSE OF THE ORGANIZATION**

Manitoba Lacrosse Association Inc. is dedicated to developing the sport of lacrosse in the Province of Manitoba. The association is registered under the Manitoba Corporations Act as a not-for-profit organization and accordingly, is exempt from paying income tax under Section 149(1)(l) of the Income Tax Act

**2. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with Canadian generally accepted accounting policies for not-for-profit organizations and reflect the following policies:

**Revenue Recognition:**

The association follows the deferral method of accounting for contributions. Restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred. Unrestricted contribution are recognized as revenue in the period they are received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Equipment/promotional sales are recognized as revenue when the purchaser receives the goods and the amount can be reasonably estimated and collection is reasonably assured.

Membership fees are recognized as revenue when received or receivable if the amount to be collected can be reasonably estimated and collection is reasonably assured.

Program and Clinic fees are recognized as revenue when the event takes place and the services are delivered and the amount can be reasonably estimated and collection is reasonably assured.

**Accounts Receivable:**

Accounts receivable are net of allowance for doubtful accounts.

**Capital Expenditures:**

Expenditures for capital assets are charged to operations in the year of purchase.

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## 2. SIGNIFICANT ACCOUNTING POLICIES, continued...

### Capital Disclosures:

In managing capital, the Association focuses on liquid resources available to fund Lacrosse Development. The Association's objective is to have sufficient liquid resources available to fund current Lacrosse Development as well as future Development. The need for liquid resources is considered in the preparation of an annual budget and in the monitoring of cash flows and actual operating results compared to budget. As at March 31, 2011, the Association has met its objective of having sufficient liquid resources to meet its current obligations.

### Donated Services:

The Association does not record the value of donated services, as it is not practical to determine a reasonable estimate of the fair value of such donated services.

### Financial Instruments:

The Association's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the association is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

### Measurement Uncertainty:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. The more subjective of such estimates is valuation of accounts receivable and deferred revenue. Management believes its estimates to be appropriate; however, actual results could differ from the amounts estimated.

## 3. CASH

Cash consists of the following:

|                      | <u>2011</u>      | <u>2010</u>       |
|----------------------|------------------|-------------------|
| Operating            | \$ 62,409        | \$ 79,630         |
| Program sub accounts | <u>22,476</u>    | <u>25,458</u>     |
|                      | <u>\$ 84,885</u> | <u>\$ 105,088</u> |

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#### 4. DEFERRED REVENUE

Deferred revenue consists of the following:

|                                      | <u>2011</u>      | <u>2010</u>      |
|--------------------------------------|------------------|------------------|
| 2002 NAIG grant                      | \$ 2,105         | \$ 2,105         |
| 2009 Field Nationals – Lacrosse Fits | <u>11,848</u>    | <u>11,848</u>    |
|                                      | <u>\$ 13,953</u> | <u>\$ 13,953</u> |

#### 5. ECONOMIC DEPENDENCE

The Association is economically dependent on the Province of Manitoba, which provides funding through Sport Manitoba.

#### 6. SPORT MANITOBA GRANTS

The funding structure has changed and as a result the titles of the grants issued in the prior year have been renamed. Every effort has been made to align the comparative numbers with this structure.

**MANITOBA LACROSSE ASSOCIATION INC.**

**SCHEDULE OF EXPENSES**

Year ended March 31, 2011

|   | <u>2011</u>       | <u>2010</u>       |
|---|-------------------|-------------------|
| <b>EXPENSES:</b>                        |                   |                   |
| Administration (page 10)                | \$ 22,879         | \$ 17,994         |
| Box Provincial championships            | -                 | 2,209             |
| Canadian Lacrosse Association (page 10) | 16,939            | 16,701            |
| Clinics                                 | 1,077             | 3,386             |
| Coaches development/certification       | 3,799             | 5,809             |
| Jamboree                                | -                 | 1,576             |
| Meeting expenses                        | 2,683             | 3,213             |
| Officials development/certification     | 4,197             | 3,920             |
| Program expenses:                       |                   |                   |
| Club field                              | -                 | 694               |
| Lacrosse Fits                           | 1,737             | 2,935             |
| Physical Literacy                       | 1,112             | -                 |
| Promotion and Marketing (page 10)       | 5,321             | 3,720             |
| Resource material purchases             | 2,461             | 150               |
| Salaries and Benefits                   | 50,633            | 45,981            |
| Sector expenses (page 11 & 12)          | 147,777           | 135,782           |
| Strategic planning                      | -                 | 3,185             |
| Try lacrosse                            | 117               | 1,651             |
|   | <u>\$ 260,732</u> | <u>\$ 248,906</u> |

*The accompanying notes are an integral part of this schedule*

Ryan J. Marshall, Chartered Accountant Inc.

**MANITOBA LACROSSE ASSOCIATION INC.****SCHEDULE OF EXPENSES - DETAIL**

Year ended March 31, 2011

| <b>ADMINISTRATION</b>                    | <b><u>2011</u></b> | <b><u>2010</u></b> |
|--|--------------------|--------------------|
| Audit                                    | \$ 3,147           | \$ 2,847           |
| Bad debts (recovery)                     | -                  | (383)              |
| Bank charges                             | 114                | -                  |
| Insurance                                | 3,801              | 4,137              |
| Office equipment purchases               | 2,367              | 951                |
| Sport Manitoba administration            | <u>13,360</u>      | <u>10,442</u>      |
|  | <u>\$ 22,789</u>   | <u>\$ 17,994</u>   |
| <br>                                     |                    |                    |
| <b>CANADIAN LACROSSE ASSOCIATION</b>     | <b><u>2011</u></b> | <b><u>2010</u></b> |
| Annual General Meeting                   | \$ 1,820           | \$ 2,097           |
| Coaches registry and training            | 800                | 755                |
| IL Participant fee                       | 200                | -                  |
| Semi Annual Meeting                      | 7,247              | 6,494              |
| Organization fee                         | 2,100              | 2,100              |
| National officials certification program | 610                | 680                |
| Participant fee                          | 4,143              | 4,575              |
| Sport Development                        | <u>19</u>          | <u>-</u>           |
|  | <u>\$ 16,939</u>   | <u>\$ 16,701</u>   |
| <br>                                     |                    |                    |
| <b>PROMOTION AND MARKETING</b>           | <b><u>2011</u></b> | <b><u>2010</u></b> |
| Advertising                              | \$ 110             | \$ 859             |
| Alumni appreciation                      | 450                | 450                |
| Communications                           | 377                | 408                |
| Promotional items                        | 1,967              | 1,881              |
| Regional development                     | 1,700              | -                  |
| Volunteer night                          | 642                | -                  |
| Website                                  | <u>75</u>          | <u>122</u>         |
|  | <u>\$ 5,321</u>    | <u>\$ 3,720</u>    |

*The accompanying notes are an integral part of this schedule*

Ryan J. Marshall, Chartered Accountant Inc.

**MANITOBA LACROSSE ASSOCIATION INC.**

**SCHEDULE OF SECTOR EXPENSES**

Year ended March 31, 2011

| <b>BANTAM BOX</b>               | <b><u>2011</u></b>       | <b><u>2010</u></b>      |
|---------------------------------|--------------------------|-------------------------|
| Bingo allocation                | \$ 3,000                 | \$ 850                  |
| Entry fees                      | 1,600                    | -                       |
| Equipment                       | 3,309                    | -                       |
| Program expenses                | <u>24,293</u>            | <u>761</u>              |
|                                 | <u>\$ 32,202</u>         | <u>\$ 1,611</u>         |
| <br>                            |                          |                         |
| <b>U16 PROVINCIAL FIELD</b>     | <b><u>2011</u></b>       | <b><u>2010</u></b>      |
| Bingo allocation                | \$ 2,250                 | \$ 3,375                |
| Entry fees                      | 1,300                    | 1,300                   |
| Equipment                       | 4,247                    | 6,182                   |
| Program expenses                | <u>22,336</u>            | <u>13,789</u>           |
|                                 | <u>\$ 30,133</u>         | <u>\$ 24,646</u>        |
| <br>                            |                          |                         |
| <b>U19 PROVINCIAL FIELD</b>     | <b><u>2011</u></b>       | <b><u>2010</u></b>      |
| Bingo allocation                | \$ 2,250                 | \$ 3,375                |
| Entry fees                      | 1,300                    | 1,300                   |
| Equipment                       | 3,821                    | 8,159                   |
| Program expenses                | <u>9,829</u>             | <u>5,665</u>            |
|                                 | <u>\$ 17,200</u>         | <u>\$ 18,499</u>        |
| <br>                            |                          |                         |
| <b>PEEWEE PROVINCIAL BOX</b>    | <b><u>2011</u></b>       | <b><u>2010</u></b>      |
| Bingo allocation                | \$ 3,000                 | \$ 3,375                |
| Entry fee                       | 1,600                    | 1,600                   |
| Equipment                       | 4,270                    | 9,065                   |
| Program expenses                | <u>24,104</u>            | <u>27,898</u>           |
|                                 | <u>\$ 32,974</u>         | <u>\$ 41,938</u>        |
| <br>                            |                          |                         |
| <b>SUBTOTAL SECTOR EXPENSES</b> | <b><u>\$ 112,509</u></b> | <b><u>\$ 86,694</u></b> |

*The accompanying notes are an integral part of this schedule*

Ryan J. Marshall, Chartered Accountant Inc.

**MANITOBA LACROSSE ASSOCIATION INC.**

**SCHEDULE OF SECTOR EXPENSES**

Year ended March 31, 2011

|  | <u><b>2011</b></u>       | <u><b>2010</b></u>       |
|--|--------------------------|--------------------------|
| <b>SUBTOTAL SECTOR EXPENSES, page 11</b> | \$ <u>112,509</u>        | \$ <u>86,694</u>         |
| <br>                                     |                          |                          |
| <b>MIDGET PROVINCIAL</b>                 | <u><b>2011</b></u>       | <u><b>2010</b></u>       |
| Bingo allocation                         | \$ 3,000                 | \$ 1,875                 |
| Entry fee                                | 1,600                    | 1,600                    |
| Equipment                                | 4,370                    | 9,519                    |
| Program expenses                         | <u>21,007</u>            | <u>22,938</u>            |
|  | \$ <u>29,977</u>         | \$ <u>35,932</u>         |
| <br>                                     |                          |                          |
| <b>HIGH SCHOOL FIELD</b>                 | <u><b>2011</b></u>       | <u><b>2010</b></u>       |
| Provincials                              | \$ <u>5,291</u>          | \$ <u>4,436</u>          |
| <br>                                     |                          |                          |
| <b>2009 NATIONALS</b>                    | <u><b>2011</b></u>       | <u><b>2010</b></u>       |
| Program expenses                         | \$ <u>-</u>              | \$ <u>8,720</u>          |
| <br>                                     |                          |                          |
| <b>TOTAL SECTOR EXPENSES</b>             | \$ <u><u>147,777</u></u> | \$ <u><u>135,782</u></u> |

*The accompanying notes are an integral part of this schedule*

Ryan J. Marshall, Chartered Accountant Inc.