



The Canadian Hockey Foundation US

Financial Statements
(Expressed in United States Dollars)
As at and for the year ended June 30, 2024

Contents

Management's Responsibility

Independent Auditor's Report

Financial Statements

Statement of Financial Position	2
Statement of Operations and Fund Balances	3
Statement of Cash Flows	4
Notes to the Financial Statements	5 – 9

Management's Responsibility

To the Members of Canadian Hockey Foundation U.S.:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Audit Committee are composed primarily of Directors who are neither management nor employees of the Organization. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Committee is also responsible for recommending the appointment of the Organization's external auditors.

MNP LLP is appointed by the Members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Committee and management to discuss their audit findings.

Signed "Stephen R. Brooks"

Stephen R. Brooks, Chief Financial Officer

To the Members of Canadian Hockey Foundation U.S.:

Opinion

We have audited the financial statements of Canadian Hockey Foundation U.S. (the "Organization"), which comprise the statement of financial position as at June 30, 2024, and the statements of operations and fund balances 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 June 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.

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 the 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 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.

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.

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.

Calgary, Alberta

November 21, 2024

MNP LLP

Chartered Professional Accountants



Statement of Financial Position

As at June 30	2024	2023
	(US \$)	(US \$)
Assets		
Current		
Cash (Note 2)	\$ 37,394	\$ 133,491
Accounts receivable (Note 3)	-	5,674
	37,394	139,165
Liabilities and Fund Balance		
Current		
Accounts payable (Note 3)	5,856	99,516
Fund balance		
Unrestricted	31,538	39,649
	\$ 37,394	\$ 139,165

On behalf of the Board:

Signed "Mike Humes"

Mike Humes, Chair of the Board

Signed "Bill Ackerman"

Bill Ackerman, Treasurer



Statement of Operations and Fund Balances

For the year ended June 30	2024	2023
	(US \$)	(US \$)
Revenue		
Donations and Other (Note 3)	\$ 4,501	\$ 86,523
Expenses		
Grants (Note 3)	-	77,748
Professional fees	12,612	10,022
	<u>12,612</u>	<u>87,770</u>
Excess (deficiency) of revenue over expenses before other item	(8,111)	(1,247)
Other Item		
Foreign exchange loss	-	(4,184)
Excess (deficiency) of revenue over expenses	(8,111)	(5,431)
Fund balance, beginning of year	39,649	45,080
Fund balance, end of year	\$ 31,538	\$ 39,649



Statement of Cash Flow

For the year ended June 30	2024	2023
	(US \$)	(US \$)
Cash flows from operating activities		
Excess (deficiency) of revenue over expenses for the year	\$ (8,111)	\$ (5,431)
Changes in non-cash working capital balances		
Accounts receivable	5,674	5,716
Accounts payable	(93,660)	15,699
Increase (decrease) in cash for the year	(96,097)	15,984
Cash, beginning of year	133,491	117,507
Cash, end of year	\$ 37,394	\$ 133,491

The accompanying notes are an integral part of these financial statements.



Notes to the Financial Statements For the years ended June 30, 2024, and 2023

Notes to the Financial Statements

1. Summary of Significant Accounting Policies

Nature of Operations

The Canadian Hockey Foundation U.S. (the “Foundation”) was incorporated under certificates of incorporation dated October 10, 2001. The Foundation is a non-profit organization organized and operated exclusively for charitable and educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986. The Foundation's purpose is to support the developmental and educational programs of Hockey Canada.

Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations (“ASNPO”).

Revenue recognition

The Foundation follows the deferral method of accounting for contributions and, recognizes contributions as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributed Services

Volunteers contribute many hours per year to assist the Foundation in carrying out its mission. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Income Taxes

The Foundation claims an exemption for income tax purposes as an American Publicly Supported Organization. Accordingly, no provision for income taxes has been made in these financial statements.

Foreign currency translation

Foreign currency transactions are translated at the rates of exchange in effect at the dates of the transaction. Resulting foreign currency denominated monetary assets and liabilities are translated at the rates of exchange in effect at the balance sheet date. Gains and losses on translation of monetary assets and liabilities are included in net income.



Notes to the Financial Statements For the years ended June 30, 2024, and 2023

1. Summary of Significant Accounting Policies (Continued)

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 revenue and expenses during the reporting period.

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 (deficiency) of revenue over expenses in the years in which they become known.

Financial instruments

The Foundation recognizes financial instruments when the Foundation 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 Foundation may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Foundation has not made such an election during the year. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. 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 (deficiency) of revenue 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.

Related Party Financial Instruments

The Foundation initially measures the financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the



Notes to the Financial Statements For the years ended June 30, 2024, and 2023

1. Summary of Significant Accounting Policies (Continued)

consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

At initial recognition, the Foundation may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value.

The Foundation has not made such an election during the year; thus, all such related party debt instruments are subsequently measured at amortized cost.

Financial instruments that were initially measured at cost are subsequently measured using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess (deficiency) of revenue over expenses.

Financial Asset Impairment

The Foundation assesses impairment of all its financial assets measured at cost or amortized cost. The Foundation groups assets for impairment testing. When there is an indication of impairment, the Foundation determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Foundation 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.

For related party debt instruments initially measured at cost, the Foundation reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; 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.



**Notes to the Financial Statements
For the years ended June 30, 2024, and 2023**

1. Summary of Significant Accounting Policies (Continued)

For related party equity instruments initially measured at cost, the Foundation reduces the carrying amount of the asset (or group of assets), to the amount that could be realized by selling the asset(s) at the statement of financial position date.

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

The Foundation 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 (deficiency) of revenue over expenses in the year the reversal occurs.

2. Cash

The Foundation's bank accounts are held at one chartered bank and earn nominal interest.

3. Related Party Transactions

The Foundation is significantly influenced by Hockey Canada by virtue of its sharing of premises and administrative support.

	2024	2023
	(US \$)	(US \$)
Transactions with Hockey Canada:		
Donations made by Hockey Canada	\$ -	\$ 5,665
Grants to Hockey Canada	-	-
Amount owed from Hockey Canada included in accounts receivable	-	5,665
Amount owed to Hockey Canada included in accounts payable	-	15,750
	<u>\$ -</u>	<u>\$ 27,080</u>

The Foundation is also closely related to the Hockey Canada Foundation by virtue of the significant influence of Hockey Canada over Hockey Canada Foundation operations.



**Notes to the Financial Statements
For the years ended June 30, 2024, and 2023**

3. Related Party Transactions (Continued)

	<u>2024</u>	<u>2023</u>
	(US \$)	(US \$)
Transactions with the Hockey Canada Foundation:		
Amounts owed to Hockey Canada Foundation in accounts payable	\$ -	\$ 78,104
Grants made to Hockey Canada Foundation	-	77,604
	<u>\$ -</u>	<u>\$ 155,708</u>

These transactions are measured at the exchange value, which is the amount of consideration established and agreed to by the related parties.

4. Financial Instruments

The Foundation, as part of its operations, carries a number of financial instruments. It is management's opinion that the Foundation is not exposed to significant interest rate, 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. 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. Financial instruments which potentially subject the Foundation to concentrations of credit risk consist of cash in bank and accounts receivable. The Foundation has deposited the cash with a reputable financial institution, from which management believes the risk of loss to be remote. The credit risk on accounts receivable arises from an organization with significant influence, as described in Note 3.

Liquidity risk

Liquidity risk is the risk that the Foundation encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Foundation will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable.