ALBERTA AMATEUR HOCKEY ASSOCIATION
(Operating as Hockey Alberta)

Independent Auditor's Report and Financial Statements

July 31, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Alberta Amateur Hockey Association

Opinion

We have audited the financial statements of Alberta Amateur Hockey Association (the "Association"), which comprise the statement of financial position as at July 31, 2025, and the statements of operations and changes in fund balances, general fund operations 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 Association as at July 31, 2025, and its results of 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 Association 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 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.

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.

RSM Canada LLP

Chartered Professional Accountants
October 24, 2025
Calgary, Alberta

ALBERTA AMATEUR HOCKEY ASSOCIATION
(Operating as Hockey Alberta)
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ALBERTA AMATEUR HOCKEY ASSOCIATION
(Operating as Hockey Alberta)
Statement of Financial Position
As at July 31, 2025

	2025	2024
ASSETS		
Current assets		
Cash and restricted cash (note 4)	**$ 2,059,633**	$ 4,192,239
Short term investments (note 5)	**3,062,166**	-
Accounts receivable (note 6)	**459,526**	944,247
Inventory	**-**	4,115
Prepaid expenses	**24,934**	42,219
	5,606,259	5,182,820
Tangible capital assets (note 7)	**65,937**	92,110
	$ 5,672,196	$ 5,274,930
LIABILITIES		
Current liabilities		
Accounts payable and accruals	**$ 767,773**	$ 539,176
Deferred revenue and contributions (note 8)	**523,281**	488,196
	1,291,054	1,027,372
FUND BALANCES	**4,381,142**	4,247,558
	$ 5,672,196	$ 5,274,930

Commitments (note 11)

Approved by the Board:

"original signed" **Chair of the Board of Directors**

"original signed" **Chair of the Audit, Finance and Risk Committee**

See accompanying notes

ALBERTA AMATEUR HOCKEY ASSOCIATION

(Operating as Hockey Alberta)

Statement of Operations and Changes in Fund Balances

Year ended July 31, 2025

	General Fund	Strategic Priority Fund	Facility Fund	Technology Fund	Donation Fund	Invested in Tangible Capital Assets	**2025**	2024
Revenue								
General (page 3)	$ 7,377,619	$ -	$ -	$ -	$ -	$ -	**$ 7,377,619**	$ 6,897,909
Facility assessment levy	-	-	210,377	-	-	-	**210,377**	203,506
Donation Fund Grant from Government of Alberta on behalf of Hockey Alberta Foundation (note 9)	-	-	-	-	288,500	-	**288,500**	1,371,000
Technology fee	-	-	-	117,526	-	-	**117,526**	93,002
Hockey Canada branch support	-	-	-	-	-	-	**-**	-
Alberta Elite Hockey League (Note 2)	-	-	-	-	-	-	**-**	202,514
CAHA Participants Legacy Trust Fund	-	53,029	-	-	-	-	**53,029**	56,301
Alberta Female Hockey League (Note 2)	-	-	-	-	-	-	**-**	114,927
	7,377,619	53,029	210,377	117,526	288,500	-	**8,047,051**	8,939,159
Expenses								
General (page 3)	7,234,376	-	-	-	-	-	**7,234,376**	6,665,590
Approved initiatives	-	20,059	-	-	261,943	-	**282,002**	879,914
Facility expense	-	-	179,579	-	-	-	**179,579**	184,362
Amortization	-	-	-	-	-	16,830	**16,830**	26,909
Alberta Elite Hockey League	-	-	-	-	-	-	**-**	181,486
Alberta Female Hockey League	-	-	-	-	-	-	**-**	123,929
Technology expense	-	-	-	191,337	-	9,343	**200,680**	104,324
	7,234,376	20,059	179,579	191,337	261,943	26,173	**7,913,467**	8,166,514
Excess (deficiency) of revenue over expenses	143,243	32,970	30,798	(73,811)	26,557	(26,173)	**133,584**	772,645
Fund balances, beginning of year (Note 2)	1,799,120	536,164	177,515	423,812	1,218,837	92,110	**4,247,558**	3,474,913
Fund balances, end of year	**$ 1,942,363**	**$ 569,134**	**$ 208,313**	**$ 350,001**	**$ 1,245,394**	**$ 65,937**	**$ 4,381,142**	$ 4,247,558

See accompanying notes

ALBERTA AMATEUR HOCKEY ASSOCIATION
(Operating as Hockey Alberta)
Statement of General Fund Operations
Year ended July 31, 2025

	2025	2024
Revenue		
Participant fees	**$ 2,369,648**	$ 2,269,370
Programming:		
Team Alberta programming	**1,348,337**	1,341,890
Coach education and development	**677,028**	644,424
Officiating	**673,436**	573,925
Player programming	**611,159**	686,346
Alberta Elite Hockey League	**550,754**	-
Alberta Female Hockey League	**150,190**	-
Game operations	**143,151**	183,240
U11 AA league	**17,190**	-
Government of Alberta - Sport, Physical Activity, and Recreation (note 9)	**234,300**	214,929
Administration	**179,029**	182,428
Sponsorship	**123,650**	198,609
Casino, 50/50 and raffles (note 8)	**93,216**	464,054
Alternative revenue sources	**73,564**	66,868
Meetings, programs, events and committees	**67,502**	71,826
Investment	**47,721**	-
Unrealized gain on investments	**17,744**	-
	7,377,619	6,897,909
Expenses		
Salaries and related benefits	**3,218,348**	2,860,688
Programming:		
Team Alberta programming	**934,566**	1,044,360
Alberta Elite Hockey League	**558,574**	-
Officiating	**551,060**	543,911
Player programming	**264,699**	373,736
Coach education and development	**262,092**	332,154
Alberta Female Hockey League	**180,508**	-
Game operations	**149,719**	150,286
Member servicing	**54,565**	170,451
U11 AA league	**44,048**	-
Non-programming related (note 12)	**952,440**	1,185,660
Bad debts	**63,757**	4,344
	7,234,376	6,665,590
Excess of revenue over expenses	**$ 143,243**	$ 232,319

See accompanying notes

ALBERTA AMATEUR HOCKEY ASSOCIATION
(Operating as Hockey Alberta)
Statement of Cash Flows
Year ended July 31, 2025

	2025	2024
CASH PROVIDED BY (USED FOR)		
Operating activities		
Grants and other	**$ 845,226**	$ 2,557,347
Programming	**4,452,148**	3,566,095
Participant fees	**3,192,071**	2,270,148
Cash paid for programming and other associated expenses	**(7,617,298)**	(8,194,085)
Interest received	**2,673**	528
	874,820	200,033
Investing activities		
Purchase of tangible capital assets	**-**	(33,872)
Purchase of short-term investments	**(4,810,726)**	-
Proceeds from sale of short-term investments	**1,803,300**	-
	(3,007,426)	(33,872)
Increase (decrease) in cash and restricted cash	**(2,132,606)**	166,161
Cash and restricted cash, beginning of year	**4,192,239**	4,026,078
Cash and restricted cash, end of year	**$ 2,059,633**	$ 4,192,239

Included in sponsorship revenue is $20,000 (2024 - $20,000) of donated products and equipment. Included in investment revenue is $36,996 (2024 - $NIL) of re-invested dividend income. These non-cash items have been excluded from the statement of cash flows.

See accompanying notes

1. Nature of operations

Alberta Amateur Hockey Association (the "Association") is registered under the Societies Act of Alberta and is the governing authority of amateur hockey in Alberta. The Association operates under the name Hockey Alberta and is responsible for the registration, administration, and development of players, officials, coaches, and volunteers in the Province of Alberta.

The Association is exempt from income tax under Section 149 of the Income Tax Act.

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:

Funds

The General Fund encompasses all operations for the purpose of developing hockey players, coaches, and officials in Alberta. It records the registration, game operations, participant development, and administrative functions of the Association, as well as grant and other revenue sources of the Association. Activities not specifically included in any other fund are recorded in the General Fund.

The Strategic Priority Fund records revenues shared by Hockey Canada from hosted international events, the Canadian Amateur Hockey Association ("CAHA") Legacy Trust Fund, and Hockey Canada branch support funding. These funds are used for initiatives designed to meet the Association’s strategic priorities and service enhancements for the membership.

The Facility Fund records assessments, donations, and other contributions for the Association's office lease expenses and the acquisition, expansion, and enhancement of capital facilities.

The Technology Fund records assessments, donations, and other contributions for the acquisition, expansion, and enhancement of technology facilities, e-learning and web platforms.

The Donation Fund records funds that are provided by the Hockey Alberta Foundation through the Government of Alberta's Sport, Physical Activity and Recreations program for initiatives related to growing the game and developing leaders within the game.

2. Significant accounting policies, continued

During the fiscal year, the Association's Alberta Elite Hockey League and Alberta Female Hockey League operations that were previously separate funds, were approved to be part of the general fund and accordingly the operations related to these leagues are now classified as part of general fund operations for the year ended July 31, 2025.

Expenses of the General Fund are approved by the board with the annual budget approval process. Expenses of the Strategic Priority Fund, Facility Fund, Technology Fund and Donation Fund are approved by the board with specific board motion.

Invested in tangible capital assets represents the net contributions for tangible capital assets.

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 at the date of the financial statements, and the reported amounts of revenue and expenses during the period. The significant area requiring the use of an estimate is estimated useful lives of tangible capital assets. Actual results may differ from management's best estimates as additional information becomes available in the future.

Cash and restricted cash

Cash and restricted cash include cash on deposit.

Restricted cash is received for specific expenditures as specified by the Alberta Gaming, Liquor, and Cannabis ("AGLC") and grant agreements. As a result, the cash received is restricted for use and will be spent on eligible expenditures as they are incurred.

Short-term investments

Investments are comprised of investments in private mutual funds and public exchange-traded funds and are recorded at fair value. Private mutual funds are available for withdrawal at any time and are therefore classified as current assets.

2. Significant accounting policies, continued

Tangible capital assets

Tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution. Amortization is recorded by the Association at rates determined to amortize the cost of the assets over their useful lives as follows:

Furniture and fixtures	20% Declining balance
Computer equipment	20% Declining balance

Leasehold improvements are amortized straight-line over the term of the lease plus one renewal period.

A full year amortization is calculated in the year of acquisition. No amortization is calculated in the year of disposition.

When conditions indicate a tangible capital asset is impaired, the carrying value of the tangible capital asset is written down to the asset's fair value or replacement cost. The write-down of the tangible capital asset is recorded as an expense in the statement of operations. A write-down is not reversed.

Software services

During the year, the Association adopted Accounting Guideline AcG-20, *"Customer's Accounting for Cloud Computing Arrangements"* which is effective for fiscal years beginning on or after January 1, 2024. The guideline was adopted retrospectively. There was no impact on the adoption of this guideline as there were no changes in the recording of software service fees and other expenses related to cloud computing arrangements on adoption.

The Association applies the simplification approach and software service fees and other expenses related to cloud computing arrangements are expensed as incurred.

2. Significant accounting policies, continued

Financial instruments

The Association initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions that are measured at the exchange amount. The Association subsequently measures all of its financial assets and financial liabilities at amortized cost, except for short-term investments which are measured at fair value.

Financial assets measured at amortized cost include cash and restricted cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accruals.

Financial assets measured at cost or amortized cost are tested for impairment, at the end of each year, to determine whether there are indicators that the asset may be impaired. The amount of the write-down, if any, is recognized in excess of revenue over expenses. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account. The reversal may be recorded provided it is no greater than the amount that had been previously reported as a reduction in the asset and it does not exceed original cost. The amount of the reversal is recognized in excess of revenue over expenses.

Contributed materials and services

Contributions of donated materials or services are not recognized in the financial statements unless the fair value can be reasonably determined, the materials or service are used in the normal course of operations and the materials or services would otherwise have been purchased.

Revenue recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue of the appropriate fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

2. Significant accounting policies, continued

Operating grants, government assistance and sponsorships are recognized as revenue when conditions of the grant, government assistance and sponsorship have been satisfied. Use of the government grants received by the general fund are subject to the guidelines for the promotion of amateur hockey in Alberta through education, leadership, and development programs as outlined by the Government of Alberta's Ministry of Tourism and Sports through the Sport, Physical Activity and Recreation program.

Capital grants are deferred and amortized to revenue at the same rate as the amortization of the tangible capital assets acquired with the funds.

Participant and programming fees are recognized as revenue of the General Fund when the events and programs are held and collection is reasonably assured.

All other revenue is recognized as revenue in the General Fund as it is earned and collection is reasonably assured.

Unrestricted contributions from Hockey Canada host events are recognized as revenue in the Strategic Priority Fund as they are received or collection is reasonable assured.

Unrestricted Hockey Canada branch support and CAHA Participants Legacy Trust fund are recognized as revenue of the strategic priority fund as they are received or collection is reasonable assured.

Facility assessment levy is recognized as revenue of the facility fund as it is earned at the time of annual registration.

Technology fee is recognized as revenue of the technology fund as it is earned at the time of annual registration.

Unrestricted donations received on behalf of Hockey Alberta Foundation are recognized as revenue of the donation fund as they are received or collection is reasonably assured.

3. Financial Instruments

The Association is exposed to the following significant risks:

Market risk

The Foundation is exposed to market price risk related to its short-term investments that are traded in an active market. To mitigate the risk, the Association has a policy in place that limits certain types of investments.

Credit risk

The Association is exposed to credit risk as it grants credit to its members in the normal course of business and holds cash and short-term investments at financial institutions. To mitigate this risk, the Association regularly reviews its accounts receivable list and, based on knowledge of the members, will stop granting credit to or stop providing services to members who have not made their payment and maintains bank accounts and short-term investments only with major financial institutions.

Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect to its accounts payable and accrued liabilities. The Association reduces its exposure to liquidity risk by monitoring its operating requirements and ensuring it has sufficient funds to fulfill its obligations.

There have been no changes to any significant risk exposures from the previous year-end other than the addition of market risk due to the short-term investments purchased in the year.

4. Cash and restricted cash

Included in cash is $206,034 (2024 - $299,250) of cash received subject to the restrictions in note 8, excluding program fees.

5. Short-term investments

Short-term investments consist of private mutual funds totaling $2,412,345 (2024 - $NIL) and publicly traded exchange-traded funds totaling $649,821 (2024 - $NIL).

6. Accounts receivable

	2025	2024
Partners and leagues	$ 91,276	$ 152,602
Membership	179,528	617,747
Goods and Services Tax receivable	30,091	10,274
Other	158,382	88,052
Programming	-	10,572
Hockey Alberta Foundation	249	65,000
	$ 459,526	$ 944,247

7. Tangible capital assets

	Cost	Accumulated Amortization	2025 Net	2024 Net
Furniture and fixtures	$ 200,009	$ 143,248	$ 56,761	$ 70,951
Computer equipment	24,704	19,684	5,020	15,618
Leasehold improvements	13,212	9,056	4,156	5,541
	$ 237,925	$ 171,988	$ 65,937	$ 92,110

8. Deferred revenue and contributions

	Balance at July 31, 2024	Funds received	Funds recognized as revenue	Balance at July 31, 2025
Deferred contributions:				
Casino, 50/50 and raffles (AGLC funds)	$ 299,250	$ -	$ (93,216)	$ 206,034
Deferred revenue:				
Player programming	136,440	192,367	(136,440)	192,367
Team Alberta program	52,506	124,880	(52,506)	124,880
	$ 488,196	$ 317,247	$ (282,162)	$ 523,281

9. Government of Alberta - Sport, Physical Activity, and Recreation Revenue

General fund revenue:

	2025	2024
Association Development Program	**$ 165,100**	$ 165,100
Team Training and Selection - Canada Winter Games	**69,200**	-
Sport Bilateral - Participation Support Program	-	28,000
Team Training and Selection - Arctic Winter Games	-	14,000
Zone Team Development and Selection	-	7,829
	$ 234,300	$ 214,929

Donation fund revenue:

	2025	2024
Donation Fund Program Grant - Hockey Alberta Foundation	**$ 275,000**	$ 1,330,000
Donation Fund Program Grant - Anonymous Donor	**13,500**	41,000
	$ 288,500	$ 1,371,000

10. Software services

During the year, the Association incurred $84,080 (2024 - $52,369) of software service fees of which $66,689 (2024 - $36,409) are included in information technology maintenance non-programming related expense of the general fund and $17,391 (2024 - $15,960) are included in technology fee expense of the technology fund.

11. Commitments

The Association has entered into the following operating leases:

- A business premise lease expiring June 2028. The annual lease payments including operating expenses are as follows:

2026	$ 186,295
2027	188,135
2028	174,046
	$ 548,476

- Two vehicle leases expiring in September 2028. The leases require annual payments totalling $27,307.
- A computer equipment and support lease expiring November 2026. Monthly payments under the lease are estimated to be $7,010 but can fluctuate based on equipment and support usage.

12. Non-programming related expenses

Non-programming related expenses consists of the following:

	2025 Actual	2024 Actual
Information technology maintenance (note 10)	**$ 256,322**	$ 155,903
Human resources	**142,762**	93,977
Events	**135,913**	132,852
Office	**133,599**	142,835
Bank and credit card charges	**103,812**	115,861
Marketing, promotions, and partnerships	**45,311**	89,442
Professional fees	**42,822**	36,009
Organizational oversight and governance	**35,618**	29,507
Goods and Services Tax	**35,197**	36,918
Communication	**10,959**	16,212
Casino, 50/50 and raffles	**10,125**	336,144
	$ 952,440	$ 1,185,660

13. Related Party Transactions

During the year, the Association charged the Hockey Alberta Foundation (the "Foundation") $57,143 (2024 - $60,000) for management fees which are included in alternative revenue sources. As at July 31, 2025, $NIL (2024 - $60,000) is included in accounts receivable.

The Hockey Alberta Foundation is a not-for-profit entity in which the Association has an economic interest. The Foundation is a registered charity and therefore is exempt from income tax in accordance with Section 149(1)(f) of the Income Tax Act. The Foundation's purpose is to establish a sustainable fund to foster and support the access to youth hockey in Alberta, through support of various programs and partnerships. The Foundation is subject to significant influence from the Association. As part of this relationship the Association provides staff and administrative resources to the Foundation and in return the Foundation provides an annual management fee.

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