

2026 Municipal Facility Operating Grant

Northern Alberta Athletic Association

Recommended

CIP Grant Summary:

Fiscal Year End	Total Expenses	Unrestricted Net Assets	2023 Approved	2024 Approved	2025 Approved
5/31/2025	1,762,090	1,483,182	1,115,080	1,769,131	1,227,658
2026 Request	2026 Recommended	Variance Recommended vs. Requested	Secured Revenue	In Progress Revenue	2026 Request All Grants
1,052,000	1,052,000	-	719,000	-	1,052,000
Percentage Decrease over 2025					14%

Notes:

2026 Grant Request:

Northern Alberta Athletic Association has an operating agreement with the Regional Municipality of Wood Buffalo for the operations of:
 - Centerfire Place

Budget Table:

	2026 Total Budget	2026 Grant Request	2026 Recommended
Revenues			
RMWB Municipal Facility Operating Grant	1,052,000	1,052,000	1,052,000
Bank/GIC Interest	20,000	-	-
Advertising/Signs/Wages	120,000	-	-
Parking Lot Rentals	12,000	-	-
Special Events (Concerts, etc)	30,000	-	-
Ice Surface Rentals	360,000	-	-
Vending Machines/Outside sign	22,000	-	-
Room Rentals	155,000	-	-
Total Revenues	1,771,000	1,052,000	1,052,000
Expenses			
Bank Charges	12,000	12,000	12,000
Accounting/Legal Fees	55,000	55,000	55,000
Utilities	350,000	350,000	350,000
Facility Supplies	60,000	60,000	60,000
Equipment Expense & Maintenance	50,000	50,000	50,000
Contract Services	140,000	140,000	140,000
Wages/Salaries/Benefits/MERCS	960,000	241,000	241,000
External Building Maintenance	85,000	85,000	85,000
Insurance Expense	18,000	18,000	18,000
Vehicle Expenses & Maintenance	21,000	21,000	21,000
Freight, Security, Misc	20,000	20,000	20,000
Total Expenses	1,771,000	1,052,000	1,052,000
Total Surplus (Deficit)	\$ -	\$ -	\$ -



REGIONAL MUNICIPALITY
OF WOOD BUFFALO

Application Summary: 2026 - 3263 - Municipal Facility Operating Grant

Application ID

2026 - 3263 - Municipal Facility Operating Grant

Applicant Information

Organization Information

Northern Alberta Athletic Association
110 Eymundson Road
Fort McMurray, AB, T9H 5A5

Primary Contact

Terry Connors
110 Eymundson Road
Fort McMurray, AB, T9H 5A5

Phone: s.20(1)
Email: accounts@oilbarons.com

Application Summary: 2026 - 3263 - Municipal Facility Operating Grant

Provide a brief Summary of the operations and services provided. Provide a brief overview of the organization's strategic priorities.

Centerfire Place supports our community year-round in a number of ways: by serving as a facility that promotes health, wellness and physical activities, serves as a place of gathering for families and community members, supports multiculturalism and diversity and also serves as a place in shelter in the event of an emergency (i.e floods, fire, etc). We also are a safe haven for Father Mercredi and Birchwood schools in the event of an emergency.

In the table, please list the publicly accessible community events that will be hosted by your organization or at the facility.

Community Events

Community Event Name	Date of Event	Location of Event
nothing is booked for 2026 yet		

Minimum number of board members according to the organization's bylaws:

0

Please list your current Board of Directors in the table:

Board of Directors

Name	Board Position	Years on Board
Andrew Boutier	President	0
Stu Wigle	Vice-President	0
Jimmy Lanning	Treasurer	5
Amy Crocker	Secretary	0
Barb Fitzpatrick	Board of Director	5
Joe Wenishch	Board of Director	2
Dwayne Blanchard	Board of Director	5
Chris Toutant	Board of Director	4
Roger Marsden	Board of Director	2

Application Summary: 2026 - 3263 - Municipal Facility Operating Grant

How many operational staff does the organization have? Please provide details in the table.

Operational Staff Information

	Per Organization Chart	Currently Filled
Full Time Positions	9	9
Part Time Positions	0	

Finances

Organization's most recent Fiscal Year End date

Please click Save Draft to update the following two questions with this date.

05/31/2025

Unrestricted Net Assets

Unrestricted Net Assets (accumulated net assets/surplus that the organization has not set aside for a particular purpose or earmarked by a donor for a specific program or project) from your Financial Statements ending: 05/31/2025

\$1,483,182.00

Total Operating Expenses

Total Expenses from your Financial Statements Ending: 05/31/2025

\$1,762,090.00

What efforts have been made in the past fiscal year to increase the financial support for your organization?

none

Please explain any cost savings initiatives the organization has, or is planning, to implement:

Centerfire has taken on 100% retrofit of the building from regular light bulbs to LEDs and we find out the cost savings by the end of the year.

Application Summary: 2026 - 3263 - Municipal Facility Operating Grant

Please complete the following budget table:

Secured Revenue

Revenue Sources	Description	Revenue (Jan-Dec)
Interest Revenue	Bank / GIC Interest	\$20,000.00
Other	RMWB Levy-Advertising/Signs/Wages	\$120,000.00
Other	Parking Lot Rentals	\$12,000.00
Miscellaneous Revenue	Special Events (Concerts etc)	\$30,000.00
Other	Ice Surface Rentals	\$360,000.00
Other	Vending Machines/Outside sign	\$22,000.00
Other	Room Rentals	\$155,000.00
		\$719,000.00

Revenue in Progress

Expenses

Type of Expense	Description	Total Expenses	Requested RMWB Grant
Bank Charges	Bank & Credit card Charges	\$12,000.00	\$12,000.00
Other (Provide Detail)	Accounting/Legal Fees	\$55,000.00	\$55,000.00
Utilities (gas, electricity, phone, internet)	Utilities	\$350,000.00	\$350,000.00
Other (Provide Detail)	Facility Supplies	\$60,000.00	\$60,000.00
Other (Provide Detail)	Equipment Expense & Maintenance	\$50,000.00	\$50,000.00
Contract Services incl: HVAC, Plumbers, Specialized trades	Contract Services	\$140,000.00	\$140,000.00
Wages/Salaries/Benefits/MER CS	Salaries & Benefits	\$960,000.00	\$241,000.00
External Building Maintenance incl: Parking Lots	Building Maintenance incl Parking Lot	\$85,000.00	\$85,000.00
Insurance Expense	Insurance Expense	\$18,000.00	\$18,000.00
Other (Provide Detail)	Vehicle Expenses & Maintenance	\$21,000.00	\$21,000.00
Other (Provide Detail)	Freight, Misc/Security	\$20,000.00	\$20,000.00



Application Summary: 2026 - 3263 - Municipal Facility Operating Grant

	\$1,771,000.00	\$1,052,000.00
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Shortfall

	Total
(Total Secured Revenue - Total Expenses)	-\$1,052,000.00

Total RMWB Grant Request

	Amount
Total	\$1,052,000.00

Application Summary: 2026 - 3263 - Municipal Facility Operating Grant

Total Cost of Program, Project, or Service

Total cost includes all costs of the entire program, project or service.

\$1,771,000.00

Total Grant Amount Request

\$1,052,000.00

The Community Investment Program requires other sources of funding in addition to this grant stream. Please list all other funding sources that are not secured at the time of application for this requirement (including declined and ineligible). Note: It is the responsibility of the applicant to advise CIP on the outcome(s) of the other grants applied for.

Other Funding Sources

Funding Source/Grant Name	Date Applied	Amount Requested	Result
nil		\$0.00	Please Select
		\$0.00	

Preferred Cash-Flow

	Amount
January/February	\$789,000.00
April	\$0.00
August	\$263,000.00
October	\$0.00
Total	\$1,052,000.00



Application Summary: 2026 - 3263 - Municipal Facility Operating Grant

Attachments

Upload Strategic Plan

Please attach signed Financial Statements for the most recent fiscal year end.

Note: Year end date must fall between July 1, 2024, and June 30, 2025.

[NAAACo_Audit_May_25_Approved_Financial_Statements.pdf](#)
575 KB - 08/28/2025 2:51 PM

Total Files: 1

Application Summary: 2026 - 3263 - Municipal Facility Operating Grant

Declaration

Declaration: – In making this application, I , the undersigned, confirm:

- that I have read the appropriate Grant Guidelines;
- that I understand that this application form and all attachments shall be part of the public Council agenda and accessible through all methods that the Council agenda is available;
- that I understand that this application form and all required attachments must be completed in full and received before 2025-08-21 4:30 p.m. MT;
- that I understand the term of the Grant is January 1 to December 31, 2026 and that all expenditures must happen during this term; and
- that I am authorized by the applicant organization to complete the application and hereby represent to the Regional Municipality of Wood Buffalo's Community Investment Program and declare that to the best of our knowledge and belief, the information provided is truthful and accurate, and the application is made on behalf of the above-named organization and with the Board of Directors' full knowledge and consent.
- that I understand the personal information collected in this application is collected under the authority of Section 4(c) of the Protection of Privacy Act and is managed in accordance with the Act. It will be used to process your application and contact you if needed during the review of this application. If you have questions about the collection or use of your personal information, you may contact the Manager, Community Partnerships and Initiatives, at 9909 Franklin Avenue, Fort McMurray, AB T9H 2K4 or at 587-919-5522.

Acknowledgement

I do hereby certify that to the best of my knowledge, this application contains a full and correct account of all matters stated herein.

Applicant Name

Terry Connors

Position/Title

Director of Operations

Date: 08/21/2025

Northern Alberta Athletic Association
Financial Statements
May 31, 2025

To the Members of Northern Alberta Athletic Association:

Qualified Opinion

We have audited the financial statements of Northern Alberta Athletic Association (the "Association"), which comprise the statement of financial position as at May 31, 2025, and the statements of operations, changes in net assets, cash flows and the related schedules for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at May 31, 2025, 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 Qualified Opinion

In common with many not-for-profit organizations, the Association derives revenue from public support, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Association. Therefore, we were not able to determine whether any adjustments might be necessary to donations and fundraising revenues, excess of revenue over expenses, and cash flows from operations for the years ended May 31, 2025 and 2024, current assets at May 31, 2025 and 2024, and net assets as at June 1, 2024 and May 31, 2025 for both the 2025 and 2024 years. Our audit opinion on the financial statements for the year ended May 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

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 qualified 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.

Fort McMurray, Alberta

August 19, 2025

The logo for MNP LLP, featuring the letters 'MNP' in a large, bold, sans-serif font, followed by 'LLP' in a smaller, all-caps, sans-serif font.

Chartered Professional Accountants

Northern Alberta Athletic Association Statement of Financial Position

As at May 31, 2025

	2025	2024
Assets		
Current		
Cash and cash equivalents (Note 3)	2,054,499	2,378,480
Accounts receivable	40,491	64,470
Marketable securities (Note 4)	270,000	270,000
Prepaid expenses and deposits	180,565	520,388
Inventory	115,660	69,339
Goods and services tax receivable	12,253	2,783
	2,673,468	3,305,460
Capital assets (Note 5)	550,924	595,164
	3,224,392	3,900,624
Liabilities		
Current		
Accounts payable and accruals	387,052	272,868
Unearned revenue	-	46,250
Current portion of deferred revenue (Note 7)	735,945	1,236,781
	1,122,997	1,555,899
Unamortized deferred capital contributions (Note 8)	20,383	25,479
	1,143,380	1,581,378
Commitments (Note 9)		
Subsequent events (Note 10)		
Net Assets		
Unrestricted net assets	1,483,182	1,682,273
Equity in capital assets	530,542	569,685
Internally restricted net assets	67,288	67,288
	2,081,012	2,319,246
	3,224,392	3,900,624

Approved on behalf of the Board

e-Signed by Jimmy Lanning

2025-08-19 18:19:17:17 GMT

Director

 Digitally signed by Amy Crocker
DN: cn=Amy Crocker, o=CEDA, ou=General
Manager, locality=Operations and Support
Services, FW=

email=amy.crocker@cedagroup.com, c=CA
Date: 2025.08.28 14:04:46 -0500

Director

The accompanying notes are an integral part of these financial statements

Northern Alberta Athletic Association
Statement of Operations
For the year ended May 31, 2025

	<i>Oil Barons Hockey Club</i>	<i>Centerfire Place</i>	2025	2024
Total Revenue <i>(Schedule 1), (Schedule 2)</i>	3,896,731	2,021,939	5,918,669	5,731,181
Cost of sales <i>(Schedule 1), (Schedule 2)</i>	1,793,287	-	1,793,287	1,937,733
Net revenue	2,103,444	2,021,939	4,125,382	3,793,448
Expenses <i>(Schedule 1), (Schedule 2)</i>	2,343,529	1,762,090	4,105,619	3,744,160
Excess (deficiency) of revenue over expenses before other income	(240,085)	259,849	19,763	49,288
Other items				
Loss on disposal of capital assets	-	-	-	(5,044)
Agreed upon settlement for past surplus <i>(Note 11)</i>	-	-	-	406,981
Repayment of surplus	-	(257,997)	(257,997)	-
	-	(257,997)	(257,997)	401,937
Excess (deficiency) of revenue over expenses	(240,085)	1,852	(238,234)	451,225

The accompanying notes are an integral part of these financial statements

Northern Alberta Athletic Association
Statement of Changes in Net Assets

For the year ended May 31, 2025

	<i>Oil Barons Hockey Club</i>	<i>Centerfire Place</i>	<i>Equity in Capital Assets</i>	<i>Centerfire Place Internally Restricted</i>	2025	2024
Net assets, beginning of year	1,645,719	36,554	569,685	67,288	2,319,246	1,868,021
Excess (deficiency) of revenue over expenses	(240,085)	1,851	-	-	(238,234)	451,225
	1,405,634	38,405	569,685	67,288	2,081,012	2,319,246
Purchase of capital assets	(34,000)	-	34,000	-	-	-
Amortization of deferred capital contributions	-	(5,096)	5,096	-	-	-
Amortization of capital assets	70,152	8,087	(78,239)	-	-	-
Net assets, end of year	1,441,786	41,396	530,542	67,288	2,081,012	2,319,246

The accompanying notes are an integral part of these

Northern Alberta Athletic Association
Statement of Cash Flows
For the year ended May 31, 2025

	2025	2024
<hr/>		
Cash provided by (used for) the following activities		
Operating		
Cash received from customers and contributions <i>(Note 12)</i>	5,037,222	6,122,309
Cash paid to suppliers <i>(Note 12)</i>	(3,456,216)	(4,150,272)
Cash paid for salaries and benefits	(1,837,322)	(1,776,940)
Cash paid for bank charges and interest	(33,665)	(34,474)
	<hr/>	<hr/>
	(289,981)	160,623
Investing		
Purchase of capital assets	(34,000)	(16,011)
Restricted cash <i>(Note 3)</i>	532,191	103,331
Purchase of marketable securities	(270,000)	(250,000)
Redemption of marketable securities	270,000	-
	<hr/>	<hr/>
	498,191	(162,680)
Increase (decrease) in cash resources	208,210	(2,057)
Cash resources, beginning of year	1,534,004	1,536,061
	<hr/>	<hr/>
Cash resources, end of year	1,742,214	1,534,004
	<hr/>	<hr/>
Cash resources are composed of:		
Cash and cash equivalents	2,054,499	2,398,480
Restricted cash total <i>(Note 3)</i>	(312,285)	(864,476)
	<hr/>	<hr/>
	1,742,214	1,534,004
	<hr/>	<hr/>

The accompanying notes are an integral part of these financial statements

Northern Alberta Athletic Association

Notes to the Financial Statements

For the year ended May 31, 2025

1. Incorporation and nature of the organization

Northern Alberta Athletic Association (the "Association") is a society incorporated under the *Alberta Societies Act*. The Association operates the Centerfire Place and the Fort McMurray Oil Barons, a hockey team playing in the Alberta Junior Hockey League, which operates within the Centerfire Place. The Association is exempt from income taxes under Section 149(1)(l) of the *Income Tax Act*.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations as set out in Part III of the CPA Canada Handbook - Accounting Standards for Not-For-Profit Organizations, as issued by the Accounting Standards Board in Canada using the following significant accounting policies:

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. 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. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

The Oil Barons Hockey Club includes the revenue and expenses related to the operation of the Fort McMurray Oil Barons hockey team. Revenue related to 50/50 tickets, AJHL fees, ATM, concession, liquor sales, souvenir, and game day tickets is recognized as revenue at the point of sale. Revenue related to advertising, camp, booster board sales and sign sales, miscellaneous, sky box seats, season tickets and Western Canada Cup ticket sales is recognized as revenue when the services and goods are delivered to the customers over the term of the hockey season or other related period. Revenue relating to naming sponsorship and special events is recognized when the services are provided. Rental revenue relating to concerts and special events is recorded in the Centerfire Place Fund. Casino, raffle and 50/50 raffle revenue is recognized as revenue when received or receivable.

The Centerfire Place Fund includes the revenue and expenses related to the operation of the Centerfire Place. Revenue is recognized in accordance with the grant agreements and when the ice surface, rooms or pad are rented to customers. Revenue from sponsorships is recognized when performance is completed and collection is reasonably assured.

Nature of funds in net assets

The Association maintains three net asset funds to track the net assets for the following purposes:

- a) The equity in capital assets fund represents the net book value of the capital assets less any deferred capital contributions not yet recognized.
- b) The unrestricted net assets fund represents the funds available that are not internally restricted by the Board of Directors and are available for future operations.
- c) The internally restricted net assets fund represents the funds set aside by the Board of Directors for specific purposes. Utilization of these funds requires the approval of the Board of Directors.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Marketable securities

Marketable securities with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment.

Northern Alberta Athletic Association
Notes to the Financial Statements
For the year ended May 31, 2025

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

Inventory

Inventories held for distribution at no charge or for a nominal charge are recognized at the lower of cost and current replacement cost. Cost is determined by the first in, first out method.

Inventory for resale 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 estimated selling costs.

Capital assets

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

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

In the year of acquisition, capital assets are amortized at one-half their usual rate, with the exception of leasehold improvements.

	<i>Method</i>	<i>Rate</i>
Buildings	declining balance	4 %
Automotive	declining balance	30 %
Computer equipment	declining balance	30 %
Equipment	declining balance	20 %
Furniture and fixtures	declining balance	20 %
Office equipment	declining balance	20 %
Leasehold improvements	straight-line	Term of lease
Signs	declining balance	20 %

Long-lived assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Association writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the Association's ability to provide goods and services. Assets are also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Association determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

Contributed materials and services

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 many hours per year to assist the Association in carrying out its service delivery activities, and because of the difficulty of determining their fair value, contributed services are not reported.

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 Association has not made such an election during the year.

Northern Alberta Athletic Association

Notes to the Financial Statements

For the year ended May 31, 2025

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

The Association subsequently measures investments in equity instruments quoted in an active market and all derivative instruments 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 (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 Association initially measures the following financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at fair value.

All other related party financial instruments are measured at cost on initial recognition.

At initial recognition, the Association 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 Association has not made such an election during the period, thus all such related party debt instruments are subsequently measured at amortized cost.

The Association subsequently measures investments in equity instruments quoted in an active market and all derivative instruments at fair value.

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 Association assesses impairment of all its financial assets measured at cost or amortized cost. 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.

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

Measurement uncertainty (use of estimates)

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 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.

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. Amortization is based on the estimated useful lives of capital assets. Amortization of deferred capital contributions is based on the estimated useful lives of capital assets which were purchased with the contributed funds.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenue over expenses in the periods in which they become known.

Northern Alberta Athletic Association

Notes to the Financial Statements

For the year ended May 31, 2025

3. Cash and cash equivalents

The use of revenue from gaming activities is restricted to expenses approved by the Alberta Gaming and Liquor Commission. The Association records unexpended funds from gaming activities as restricted cash and cash equivalents until the expenses as approved by Alberta Gaming, Liquor and Cannabis are incurred.

Cash and cash equivalents is comprised of the following:

	2025	2024
Unrestricted cash and cash equivalents - Oil Barons Hockey Club	1,231,356	1,063,544
Restricted cash and cash equivalents (Note 7)	312,285	844,476
Unrestricted cash and cash equivalents - Centerfire Place Arena	510,858	470,460
	2,054,499	2,378,480

4. Marketable securities

	2025	2024
Guaranteed investment certificate at 2.0% interest and matures April 2026	20,000	20,000
Guaranteed investment certificate at 2.7% interest and matures October 2025	250,000	250,000
	270,000	270,000

5. Capital assets

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Buildings	528,960	241,316	287,644	299,629
Automotive	50,171	43,508	6,663	9,519
Computer equipment	121,192	88,478	32,714	5,453
Equipment	210,654	96,444	114,210	142,763
Furniture and fixtures	751,050	694,600	56,450	70,561
Office equipment	47,421	45,558	1,863	2,329
Leasehold improvements	193,804	142,424	51,380	64,910
	1,903,252	1,352,328	550,924	595,164

6. Bank indebtedness

Bank indebtedness includes an RBC Corporate Visa with a credit limit of \$100,000 and bearing interest of 19.99%. As of May 31, 2025, \$2,484 (2024 - \$559) was included in accounts payable at year end.

Northern Alberta Athletic Association Notes to the Financial Statements

For the year ended May 31, 2025

7. Deferred revenue

	<i>Alberta Gaming, Liquor and Cannabis</i>	<i>Centerfire Place Sponsorship</i>	<i>CEDA Press Box Naming</i>	2025 Total	2024 Total
Oil Barons Hockey Club					
Deferred revenue, beginning of year	844,476	30,000	10,000	884,476	1,028,806
Received during year	-	-	-	-	2,982,508
Revenue recognized during the year	(532,191)	(30,000)	(2,500)	(564,691)	(3,126,840)
	312,285	-	7,500	319,785	884,474
Centerfire Place					
			RMWB Grant	2025 Total	2024 Total
Deferred revenue, beginning of year			352,305	352,305	136,459
Received during year			1,363,026	1,363,026	1,641,928
Revenue recognized in the year			(1,299,171)	(1,299,171)	(1,426,082)
			416,160	416,160	352,305
Total deferred revenue				735,945	1,236,779

8. Unamortized deferred capital contributions

	2025	2024
Deferred capital contributions, beginning of year	25,479	31,849
Amortization of capital contributions	(5,096)	(6,370)
Unamortized deferred capital contributions, end of year	20,383	25,479

Unamortized deferred capital contributions represent restricted external funding for capital assets which will be recognized as revenue as the capital assets purchased with these funds have been amortized at rates intended to amortize the cost of assets over their estimated useful lives.

9. Commitments

The Association entered into a five-year agreement with the Regional Municipality of Wood Buffalo (the "Municipality") whereby the Association leases the Centerfire Place (the "Community Centre") from the Municipality for a base rent of \$1 per year as of February 2020 until January 2026. The Association is not responsible for capital financing costs or structural repairs to the Community Centre. The Association is responsible for the operation, maintenance and management of the Community Centre and the related expenses.

The Association has also entered into an agreement with Casman for the construction of the 2025-2026 Dream Home for approximately \$855,000, of which \$157,500 (2024 - \$443,884 and \$52,500 related to the 2024-2025 Dream Home and 2025-2026 Dream Home, respectively) is included in prepaid expenses.

10. Subsequent event

Subsequent to year end, the United States government announced new tariffs on imported goods. The Canadian government then announced retaliatory tariffs and other measures. The Association imports equipment from the United States and has travel to and from the United States. While the extent of the impact cannot be quantified at this time, these measures may have an adverse effect on the Association's operations.

Northern Alberta Athletic Association

Notes to the Financial Statements

For the year ended May 31, 2025

11. Agreed upon settlement for past surplus (deficiencies)

During the year, the Association was in negotiations with the Regional Municipality of Wood Buffalo (RMWB) to reimburse the RMWB for the 2024 Municipality Facility Operating Grant. It was determined that there was a surplus in funding provided by RMWB to cover the operations of the Arena in these years that has been supplemented by the operations of the Hockey Club. The Association and RMWB agreed that in order to settle on the surplus in funding, the Association is to issue a one time payment of \$257,997. This is included in accounts payable.

During the prior year, it was determined that there was a short fall in funding provided by RMWB to cover the operations of the Arena in these years that has been supplemented by the operations of the Hockey Club. The Association agreed that in order to settle on the deficiency in funding, the RMWB issued a one time payment of \$406,981.

12. Non-monetary transactions

During the year the Association exchanged services with third parties for various expenses. Advertising, sky box revenue and ticket sales from all non-monetary transactions totaled \$34,203 (2024 - \$74,768), and are measured at their fair value, which is the value of the advertising revenue or ticket sales given up by the Association and the supplies and services received. In a prior year, the Association also received funds for the construction of press boxes in the amount of \$110,000 to be brought into income over 11 years. These non-monetary transactions have been excluded from the statement of cash flows.

13. 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.

Credit concentration

The Association accounts receivable from three customers represents 59% of total accounts receivable as at May 31, 2025. The Association believes that there is minimal risk associated with the collection of these amounts. The balance of accounts receivable is widely distributed among the remainder of the Association's large customer base. The Association performs regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

14. Related party transactions

The Association, through the normal course of operations, compensates families for housing out-of-town members of the Oil Barons Hockey Team, reflected in the billets expense in Schedule 1. During the current year the Association paid \$29,490 (2024 - \$22,000) to members of the Association's Board of Directors and employees for player billets.

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

15. Contingencies

These financial statements are subject to review by the Association's funding agents. It is possible that adjustments could be made based on the results of their review.

16. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

Northern Alberta Athletic Association
Schedule 1 - Schedule of Oil Barons Hockey Club Revenue and Expenses

For the year ended May 31, 2025

	<i>Sales</i>	<i>Cost of Sales</i>	<i>Net Revenue 2025</i>	<i>Net Revenue 2024</i>
Advertising and sign sales	484,287	-	484,287	550,569
ATM, camp, booster board and special events	138,861	-	138,861	135,074
Casino	29,715	-	29,715	2,500
Development camp revenue	78,828	-	78,828	153,312
Dream home raffle	2,120,889	1,344,533	776,356	582,202
Event and branding surcharge	14,248	-	14,248	15,429
Golf tournament	65,820	29,534	36,286	45,758
Hockey 50/50 Tickets	94,965	57,535	37,430	38,985
Interest income	26,969	-	26,969	36,754
Liquor sales	58,099	15,981	42,118	37,484
Naming rights sponsorship	20,000	-	20,000	20,000
Oil Barons cash 50 raffle	349,135	204,899	144,236	170,051
Ticket sales	414,915	140,805	274,110	304,872
	3,896,731	1,793,287	2,103,444	2,092,990

(Continued on next page)

Northern Alberta Athletic Association
Schedule 1 - Schedule of Oil Barons Hockey Club Revenue and Expenses

For the year ended May 31, 2025

	2025	2024
Net revenue <i>(Continued from previous page)</i>	2,103,444	2,092,990
Expenses		
Advertising and promotion	53,196	47,347
Amortization	70,152	77,734
Bad debts	5,000	-
Bank charges and interest	27,789	27,754
Banquet	27,663	27,424
Communications	66,229	62,418
Donations	5,466	7,966
Equipment expense and maintenance	43,428	53,764
Freight	35,305	47,425
Ice rental	103,292	95,930
Insurance	14,991	17,530
Player expenses	45,923	32,768
Player trade and recruitment	44,850	32,702
Professional fees	17,572	15,188
Rent	21,000	19,250
Salaries and benefits	945,206	837,700
Security	47,240	44,802
Supplies	285,286	304,689
Training and education	64,637	23,428
Travel	419,304	306,455
	2,343,529	2,082,274
Excess (deficiency) of revenue over expenses	(240,085)	10,716

Northern Alberta Athletic Association
Schedule 2 - Schedule of Centerfire Place Revenue and Expenses
For the year ended May 31, 2025

	2025	2024
Revenue		
Amortization of capital contributions	5,096	6,370
Ice surface rental	358,007	357,700
Interest revenue	21,270	15,230
Outside sign/vending machines	20,189	20,056
Parking lot rental	12,000	40,092
RMWB grant	1,299,171	1,094,101
RMWB levy for advertising, signage and wages	106,990	9,939
Room rentals	146,512	128,563
Special events revenue	52,704	28,407
	2,021,939	1,700,458
Expenses		
Accounting and legal fees	24,391	31,242
Amortization	8,087	10,699
Bank charges and interest	5,876	6,721
Building maintenance	51,019	64,010
Concert expenses	6,152	-
Contracted services	132,688	131,191
Equipment expense and maintenance	34,732	28,903
Insurance	8,431	20,244
Miscellaneous	-	4,220
Salaries and benefits	995,560	940,166
Security upgrades	7,809	5,522
Supplies	75,457	38,212
Utilities	388,801	363,355
Vehicle expense and maintenance	23,087	17,403
	1,762,090	1,661,888
Excess of revenue over expenses	259,849	38,570
Other Income (expense)		
Agreed upon settlement for past deficiencies (Note 10), (Note 11)	-	406,981
Repayment of surplus	(257,997)	-
Loss on disposal of capital assets	-	(5,044)
	(257,997)	401,937
Excess of revenue over expenses	1,852	440,507