

2022 continued to be an uncertain year with a number of societal changes that happened throughout the year that made advance planning very challenging. Your board began the year continuing to budget for a number of different scenarios that included 100% return-to-play and 50% return-to-play given that we didn't know what the year would look like. As the year progressed, we were able to hold many of our normal rugby activities like the Alberta Regional Championship, provincial age grade programs leading to Westerns in BC, and some league activities throughout the summer.

As we turn our attention to the 2022 financial statements, I wanted to highlight a few different areas:

### **Balance Sheet**

- While we are showing a significant decrease in assets from 2021 to 2022, that is primarily driven by the fact that we were holding a \$250,000 grant payment to Rugby Canada from the World 7s Series stop in Edmonton in the summer of 2021. These funds were received in fiscal 2021 but were not paid out to Rugby Canada until fiscal 2022.
- Putting that item aside, Rugby Alberta continues to be in a stable financial position and there are no concerns with our ability to operate based on our current level of assets & liabilities.

### **Revenue**

- Our sources of revenue remained largely unchanged from 2021 to 2022 with our provincial programs and provincial grants contributing the vast majority of our funding. Grant funding showed a slight increase due to Canada Games funding received while our standard provincial grant amount remained the same year-over-year.
- Provincial programs did not run in 2021 so the increase of revenue in that category in 2022 is not unexpected
- Dues received from clubs continue to be less than 10% of our total annual revenue
- Other revenue for 2022 was our continued partnership with Rugby Canada to fund a provincial Rugby Development Officer role (a 50-50 cost share) and deferred revenue from a casino that was held in 2021.

### **Expenses**

- Our largest expense category continues to be the costs associated with our provincial programs – while these programs typically need to be run on a pay-to-play, break-even model, Rugby Alberta invested additional funds in these programs this year to reduce participant costs. This was a deliberate decision by the board to try and provide assistance to players given macroeconomic impacts (ie. inflation, unemployment, etc) that might impact their ability to participate in programs.
- Staffing is our 2<sup>nd</sup> highest category of expenses but we did operate with less staff this year than in pre-Covid years, so we are showing a decrease in that line item when compared to 2021. Given the uncertainty throughout 2022, we primarily operated with contract roles (outside of our Executive Director and accounting roles) to target specific staffing gaps throughout the year. This approach may not have been the best course of action once we got into the busy summer months, and adding additional members to our team (specifically targeting competitions and membership services support) will be a priority for 2023.

Overall, we are showing net income for the year of \$66,000 which is primarily the result of reduced staffing costs and less rugby activities taking place. As we head into 2023, we will be looking to staff up to ensure we can meet the rugby community's expectations for delivery of our programs, and will be looking for additional opportunities to invest in the community through a variety of programs and initiatives. Our fiscal restraint in 2021 & 2022 has set-up us up well to make investments that will provide the most value and we look forward to working with our community stakeholders on those initiatives throughout the year.