

## **Alberta Rugby Football Union**

### **2025 AGM – Financial Report**

**Darren Andruko, Director of Finance**

#### Overview

2025 represented another significant year of net investment by Rugby Alberta. Surplus cash that had accumulated during and post pandemic has largely been out towards an increased number of events and programs for our players, with 2025 having been the most active year in our sport in Alberta.

#### Financial Position

Rugby Alberta ended the year with \$501,168 in cash and net accounts receivable. This compares to a beginning year balance of \$592,044. This reduction in cash resources of \$90,876 represents another significant drawdown of our financial resources. In the previous year ended October 31, 2024, Rugby Alberta had drawn down our on cash resources by \$193,371.

Of Rugby Alberta's cash balances, \$140,917 represents casino revenues and a sports participation grant and Alberta Summer Games grant, all of which has restrictions on its use. Casino funds can be used to for certain payroll expenses, the sports participation grant funding of \$52,385 must be used for specific activities to promote indigenous rugby programs within the province, and the Alberta Summer Games grant of \$9,889 may only be used to prepare our provincial teams for that event. All other cash balances are unrestricted in terms of usage.

#### 2025 Results

Rugby Alberta's operations for the year have resulted in an annual deficit (net loss for accounting purposes) of \$126,933. This compares to a deficit of \$156,218 in 2024. This year's deficit compares to a budgeted deficit for the year of \$21,600, with the most material variances as follows:

- Rugby Canada (\$28,000). Our budget had included this amount for sessional coaches, which had been received the prior year, but was discontinued in 2025.
- Office expenses (\$26,469). Financial audit expenses were not included in this year's budget, and office expenses exceeded budget by over \$15,000.
- Union dues and fees (\$11,496). Lower than expected registration numbers and fees received from players across the province.
- Safe Sport Costs (\$11,566). Costs incurred to pay our independent third party to adjudicate disputes and claims related to Rugby Alberta players.
- Sponsorship Consultant (\$8,400). Board decision to hire Westlink Consultants improve the materials we use to solicit sponsorships for our events and programs.

Not reflected in our year end financial statements are two amounts totalling \$9,771 that we expect to recover and take into income in 2026. These are a reimbursement for summer students costs submitted to the Alberta Government in September, and a Kukri sponsorship carried over from 2025 to 2026.

Rugby Alberta ended the year with a deferred revenue balance of \$140,917, which represents funds received but not yet spent on the required purposes. This full amount will be taken into revenue in 2026 or beyond as the funds are spent, which will have a positive impact on future year's surplus/deficits.

### Program and Event Support

During the year, Rugby Alberta obtained grants and achieved fundraising in a total amount of \$150,000 specifically in support our programs and events. The board of directors had also authorized a further \$50,000 of Rugby Alberta funds in support of these programs and events. This total program support balance of \$200,000 was applied as follows:

- ARC 7s: \$ 5,000
- Vancouver 7s; \$20,000
- Tropical 7s: \$58,000
- Senior Men & Women Competitions: \$22,000
- ARC 15s: \$ 5,000
- CRC Tournament: \$60,000
- CRC U19 Teams: \$10,000
- Prairie Junior Club Championships: \$10,000
- Shawnigan Lake U17s: \$10,000

### Commentary

Our current cash resources of approximately \$500,000 are still significant, but have declined post pandemic by almost \$300,000, as Rugby Alberta has invested in a much greater level of rugby activity across the province to attract players back to our sport.

However, this level of activity and related expense will not be sustainable for the longer term unless additional revenue sources are found.

### Audited Financial Statements

A financial audit of our 2025 financial statements has been completed by Metrix Group, and are attached for reference, along with a clean audit opinion and notes to the statements. Questions of comments regarding these statements may be directed to Darren Andruko, Finance Director or Sandy Nesbitt, Executive Director.