

Hockey Regina Inc
Board of Directors Meeting
Minutes
Tuesday Sept 13, 2016

Attendance:

Larry Wees (Chair)	Rick Hagglund	Andrea Hoffman
Kevin Baron	Joanne Merk	Ian Jones
Christie Bjolverud	Mark Burton	Brad Hunt
Trevor Mitchell		
Blair Watson (Staff)		

Regrets:

Geoff Thachuk	Todd Taylor
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1. Call to order

Larry called the meeting to order at 7:01PM.

2. Minutes

MOTION: To approve previous minutes. Moved Mark, Seconded Rick. CARRIED

3. 2015/16 Audited Financial Statements (Appendix A)

- Blair went over the audited statements for year ended April 30, 2016
- Highlights include:
 - Revenue of \$2.77M
 - Hockey expenses of \$2.30M
 - Admin expenses of \$317K
 - No issues in the audit
 - Net income of \$151,000

MOTION: To accept the Audited Financial statements as presented. Moved Mark, Seconded Joanne CARRIED

4. Open Door Society

- Mark went to the Open Door Society to make a presentation on hockey
- Mark indicated that it would be a good idea to give tickets to a AAA game (Pat C's or Rebels)
- It is a good idea, just pick a date

5. Female (Appendix B)

- Andrea indicated that there is a shortage of Bantam female goalies
- Currently only 1 goalie for 3-4 teams
- A Bantam girl in Assiniboia has applied for a concession to play in Regina at the AA level. (Note this has been rejected by SHA)
- Will need to have goalies AP'd to multiple teams. This concession will be granted
- Potential for 4 Bantam teams, then maybe move one up to the Midget A division.
- If not 4 Bantam teams, will move some girls up to paly Midget A. This was done last year.

6. Rebels budget (Appendix C)

- For information purposes, Brad presented the Rebels budget
- He noted that the staff have declined honorariums for this season.

*MOTION: For information only, to approve the Rebels budget. Moved Brad,
Seconded Rick CARRIED*

7. Short Listed coaches approval

- The Board agreed that due to timing, the approval of coaches will be done via e-mail.

8. Next Meeting

TBD

7:00PM @ HRI

A

HOCKEY REGINA INC.

FINANCIAL STATEMENTS

APRIL 30, 2016

DRAFT

INDEPENDENT AUDITORS' REPORT

To the Members,

Hockey Regina Inc.

We have audited the accompanying financial statements of **Hockey Regina Inc.** which comprise the statement of financial position as at **April 30, 2016** and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Organization as at **April 30, 2016** 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.

September 13, 2016

Regina, Saskatchewan

Chartered Professional Accountants

HOCKEY REGINA INC.
STATEMENT OF FINANCIAL POSITION
AS AT APRIL 30, 2016
(with comparative figures for 2015)

ASSETS		2016	2015
Current assets			
Cash	\$	455,784	\$ 365,918
Short-term investments		507,000	500,000
Accounts receivable		48,262	55,261
Prepaid expenses		-	230
Performance bond		3,450	3,450
		<u>1,014,496</u>	<u>924,859</u>
Tangible capital assets (Note 3)		<u>7,537</u>	<u>6,897</u>
	\$	<u>1,022,033</u>	<u>\$ 931,756</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	\$	42,755	\$ 87,167
Bingo vouchers payable		96,305	109,290
Deferred revenue		13,980	18,000
		<u>153,040</u>	<u>214,457</u>
NET ASSETS			
Investment in tangible capital assets		<u>7,537</u>	<u>6,897</u>
Unrestricted		<u>861,456</u>	<u>710,402</u>
		<u>868,993</u>	<u>717,299</u>
	\$	<u>1,022,033</u>	<u>\$ 931,756</u>

See accompanying notes to the financial statements.

APPROVED BY:

_____ Director

_____ Director

HOCKEY REGINA INC.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED APRIL 30, 2016
(with comparative figures for the year ended April 30, 2015)

	Investment in tangible capital assets	Unrestricted	2016	2015
Balance - beginning of year	\$ 6,897	\$ 710,402	\$ 717,299	\$ 706,478
Investment in tangible capital assets	2,722	(2,722)	-	-
Excess (deficiency) of revenues over expenses	(2,082)	153,776	151,694	10,821
Balance - end of year	<u>\$ 7,537</u>	<u>\$ 861,456</u>	<u>\$ 868,993</u>	<u>\$ 717,299</u>

See accompanying notes to the financial statements.

DRAFT

HOCKEY REGINA INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED APRIL 30, 2016
(with comparative figures for the year ended April 30, 2015)

	<u>2016</u>	<u>2015</u>
Revenue		
Registration	\$ 2,398,884	\$ 2,206,741
Associate memberships	46,750	55,250
Try-outs	151,086	129,775
Fundraising (net) - bingo (Note 4)	82,931	111,199
Sponsorship	71,834	72,796
Scholarship	4,020	4,000
Interest earned	5,521	7,150
Miscellaneous	12,012	13,307
	<u>2,773,038</u>	<u>2,600,218</u>
Hockey activity expenses (Schedule 1)	2,304,300	2,289,586
Administrative expenses (Schedule 1)	<u>317,044</u>	<u>299,811</u>
Excess of revenue and expenses	<u>\$ 151,694</u>	<u>\$ 10,821</u>

See accompanying notes to the financial statements.

HOCKEY REGINA INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED APRIL 30, 2016
(with comparative figures for the year ended April 30, 2015)

	<u>2016</u>	<u>2015</u>
Cash provided by (used in) operating activities:		
Excess (deficiency) of revenues over expenses	\$ 151,694	\$ 10,821
Items not involving cash:		
- Amortization	2,082	1,108
	<u>153,776</u>	<u>11,929</u>
Changes in non-cash operating working capital:		
Accounts receivable	6,999	41,605
Prepaid expenses	230	(230)
Accounts payable and accrued liabilities	(44,412)	8,513
Government remittances	-	(3,770)
Bingo vouchers payable	(12,985)	4,020
Deferred revenue	(4,020)	(49,935)
	<u>(54,188)</u>	<u>203</u>
Cash provided by (used in) investing activities:		
Additions to tangible capital assets	(2,722)	(7,497)
Increase in cash	96,866	4,635
Cash position - beginning of year	865,918	861,283
Cash position - end of year	<u>\$ 962,784</u>	<u>\$ 865,918</u>
Cash consists of:		
Cash	\$ 455,784	\$ 365,918
Short-term investments	507,000	500,000
	<u>\$ 962,784</u>	<u>\$ 865,918</u>

See accompanying notes to the financial statements.

HOCKEY REGINA INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2016
(with comparative figures for the year ended April 30, 2015)

1. Purpose of the organization

The Organization is incorporated under *The Non-Profit Corporations Act, 1995* of Saskatchewan without share capital and as such it is not subject to income taxes. The purpose of the Organization is to promote and organize the sport of hockey in the City of Regina.

2. Summary of significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations which required management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known. The financial statements reflect the following policies:

Financial instruments - recognition and measurement

Financial assets and financial liabilities are recorded on the statement of financial position when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are required to be recognized at fair value upon initial recognition, except for certain related party transactions. Measurement in subsequent periods of equity instruments is at fair value. All other financial assets and financial liabilities are subsequently measured at amortized cost adjusted by transaction costs, which are amortized over the expected life of the instrument.

Fair value is the amount at which a financial instrument could be exchanged at arm's length between willing, unrelated parties in an open market. Changes in fair values of financial assets and financial liabilities measured at fair value are recognized in excess of revenues over expenses.

When there is an indication of impairment and such impairment is determined to have occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted cash flows expected or the proceeds that could be realized from sale of the financial asset. Such impairments can be subsequently reversed if the value improves.

Tangible capital assets

Tangible capital assets are recorded on the statement of financial position at cost less accumulated amortization. Amortization for computer equipment is provided on the straight line basis over three years and equipment on a straight line basis over five years.

Hockey equipment and sweaters

Purchases of equipment and sweaters are expensed as incurred.

Revenue recognition

Revenue from hockey activities is recognized as services are provided, and revenue from fundraising activities is recognized when received or when earned if amounts are reasonably estimated and collection is reasonably assured.

HOCKEY REGINA INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2016
(with comparative figures for the year ended April 30, 2015)

3. Tangible capital assets

	2016		2015	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 14,822	\$ 12,683	\$ 2,139	\$ 150
Equipment	7,497	2,099	5,398	6,747
	<u>\$ 22,319</u>	<u>\$ 14,782</u>	<u>\$ 7,537</u>	<u>\$ 6,897</u>

4. Bingo revenue

	2016	2015
Total revenue	\$ 255,731	\$ 293,629
Deduct: allocation to member teams	(172,800)	(182,430)
Net bingo revenue	<u>\$ 82,931</u>	<u>\$ 111,199</u>

5. Financial risk management

The Organization has a risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The significant financial risks to which the Organization is exposed are:

Credit risk

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. The Organization is exposed to credit risk on the accounts receivable related to bingo events. The Organization incurred insignificant bad debt expense during the past three years.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization's exposure to liquidity risk is dependent on the receipt of funds from its operations and other related sources. Funds from these sources are primarily used to finance working capital and capital expenditure requirements, and are considered adequate to meet the Organization's financial obligations.

HOCKEY REGINA INC.
SCHEDULE OF HOCKEY ACTIVITY AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED APRIL 30, 2016
(with comparative figures for the year ended April 30, 2015)

SCHEDULE 1

	<u>2016</u>	<u>2015</u>
Hockey activity expenses		
Association fees	\$ 3,250	\$ 3,000
Clinics (net of cost recoveries)	6,260	1,375
Contract services	78,725	70,741
Fees - SHA	136,315	128,325
Ice rental	1,576,961	1,557,247
Miscellaneous	-	6,481
Referees and timekeepers	314,268	315,173
Scholarship	4,020	4,000
Trophies and awards	10,332	10,927
Uniforms and equipment	174,169	192,317
	<u>\$ 2,304,300</u>	<u>\$ 2,289,586</u>
Administrative expenses		
Advertising and promotion	\$ 21,249	\$ 15,911
Amortization	2,082	1,108
Bank charges and interest	5,578	5,035
Insurance	4,970	4,821
Meetings	8,435	6,761
Office	15,030	15,624
Professional fees	9,377	11,534
Rent	24,633	22,413
Telephone and fax	14,463	10,428
Wages and benefits	211,227	206,176
	<u>\$ 317,044</u>	<u>\$ 299,811</u>

B

Initiation - 17 skaters (42 skaters in coed)
Novice - 52 skaters, 2 goalies (37 skaters in coed)
Atom - 42 skaters, 3 goalies (20 skaters in coed)
PW - 49 skaters, 5 goalies (15 skaters, 1 goalies in coed)
Bantam - 57 skaters, 1 goalie (1 skaters in coed)
Midget - 44 skaters, 3 goalies
Rec - 3 skaters

Discussion

- 1) Numbers of female athletes in female division
- 2) Retention - Midget and bantam challenges
- 3) Goalie Challenges / Shortage – review of 15-2016 season and challenges for this season
 - 3 goalies registered for midget – 3 teams
 - 1 goalie registered for bantam – 3 possibly 4 teams
 - 5 goalies registered for PW – 4 PW teams
 - 5 goalies registered for Atom – 3 atom teams
- 4) Understanding Bantam AA (13 / 14 yr olds) is a Midget AA (15 16 17 18 yr olds) program – ensuring the continued maintenance of the program and development of bantam athletes – finding a solution that doesn't not take us backwards but moves us forward and continues to focus on long term development (HOCKEY CANADA)

Solutions

- AP's
- Management of time and physical stress playing on more than one team
- Training and development vs game time
- Outside goalies / imports
- Incentives and new Training for atom and PW current goalies and interested athletes for next year and future

Rebels 2016-17 Budget		Draft As of Aug. 24, 2016					
Revenue	2016-17 Budget	2015-16 Actuals		Expense	2016-17 Budget	2015-16 Actuals	
Player Fees Sept	95,200	48,637		Bank Fees/charges	25	27	
Player Fees Oct	-			Coach Expense	1000	765	
Player Fees Nov	-			Dressing Room expenses	1500	1489	
Player Fees Dec	-			Dressing Room rental	2200	2205	
Player Fees Jan - if needed	-			Equipment Expenses	1500	1787	
Player Fees Feb				Exhibition Games	1300		
Bingo Credits		5,985		Honorariums for staff	5000	18250	
Gates Sales	4,500	6,283		Ice Rentals	26850	23904	
50/50 Sales or Chase the Ace	2,250	Incl above		League Fees	3750	3750	
AP Player fees	1,200	1,200		Legacy Fund Equipment costs	2380	2100	
Sasktel Challenge	-			Other Expense	1000	155	
Other team fundraising & Misc		339		Photos	245	540	
Total Income	103,150	62,444		Player/Parent Clothing	4500	4455	
Actual direct revenue/player	5,731	3,469		Playoffs - first round	3000	2310	
Fundraising - Individual	18,700	49,300		Player Refund - Injury	0	3013	
Total Income w/ fundraising	\$ 121,850	\$ 111,744		Programs/Game Tickets	1900	1832	
				Referees & timekeepers	4200	4200	
Total Avg revenue/player	\$ 7,168	\$ 6,208		Skill Development/Conditioning	3475	0	
				Teambuilding		284	
Expenditure per player	\$6,829			Tournament Fees	6000	5129	
Player Revenue:	Averages			Travel - Bus	21483	17054	
Fees	\$5,600			Travel - Hotels	17006	10014	
Team Fundraising	71			Travel - Meals	4000	3336	
Gate & 50/50	397			Video equipment/software	900	913	
Individual fundraising	2,353			Website	0	178	
Total Revenue	\$8,421			Windup costs	2500	2064	
Avg refund	\$1,592			Total Expenses	\$ 116,009	\$ 109,457	
Avg net player cost	\$4,008			Expenditure per player (roster = 17)	\$ 6,824	\$ 6,081	
				Expenditure per player (roster = 17)	6419	5956	
				Player Expenses:	Team Total	Per player avg	
				Per Player common team expenses		6,419	
				Player clothing	2,800	165	
				Club Equipment Fees	2,380	125	
				Player Bags		120	
				Total Est. Max. Expenses per player		6,829	
Difference - Refund(Due)							
Summer Equipment deposit							
Balance - Refund(owing)	\$0						
				** Please note - Rebels have implemented a deposit on equipment that is retained for use in the summer. Deposit can be refunded when equipment turned in, or applied to upcoming season account.			

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