



**KANATA MINOR HOCKEY ASSOCIATION
ANNUAL AGM
APRIL 20 2017 6:30PM**

***10.07 Persons Entitled to be Present** The only persons entitled to attend a Meeting of Members are the Members, the Directors and the auditor of the Corporation. Any other Person may be admitted only if invited by the Chair of the meeting or with the majority consent of the Members present at the meeting.*

**Kanata Minor Hockey Association - Annual General Meeting Agenda
2016/17**

- Call to Order
- President's Remarks
- Adoption of the Minutes of the 2015/16 AGM-Schedule A
- Business Arising from the 2015/16 Minutes- None
- Presentation of the Financial Statements-Dale Hudson Treasurer- Schedule B
- Appointment of financial auditor for 2016/17season
- Reports
 - ❖ Vice President Hockey Programs
 - ❖ Registrar
 - ❖ Risk and Safety
- Awards - Coach and volunteers and Executive awards winners
- New Business-Bylaw updates
- Appointment of returning office and scrutineers
- Election of Directors
- Adjournment

Another successful year has come to an end. First of all, I would like to personally extend a huge thank you to all KMHA coaches and volunteers, without you we would not be able to put forth the programs we do.

The KMHA program is held in high regard within our Branch of Hockey Canada, Hockey Eastern Ontario. Our governance model is modern and efficient. We have been approached by several associations looking to copy the new KMHA Constitution and By-laws so that they, like KMHA, can be compliant with Ontario's new not-for-profit regulations. In 2015 KMHA became one of the first associations in the province to modernize its by-laws in order to comply with the Provinces requirements.

KMHA is a non-profit organization and our funding comes directly from the members of our organization. With this in mind, I, as the President of KMHA have taken several steps to try and keep our cost under control in order to maintain the registration fees at a level that are affordable for as many players as possible.

KMHA introduced a Request for pricing policy (RFP), every season for the last 5 seasons we have sent out the request for RFP for jerseys, pucks, etc,... This has saved the Association and its members 40% for the past 5 years on the cost of equipment for KMHA and its members.

KMHA also renegotiated with our credit card services on that contract that comes with a savings to us of \$10 thousand per season. Our biggest expense item is ice rental, which is an annual expenditure of nearly \$900 thousand.

In the 2014-2015 season, KMHA renegotiated and signed a new contract with the Bellsensplex. This new 5-year contract sees several changes that were negotiated to reduce costs to KMHA. Firstly, we reduced the number of hours we purchased to 900 per season from 1200 (in the original contract), saving KMHA about \$90 thousand annually. We also renegotiated the number of undesirable ice hours (6am and 6:30 am and 4pm's during the weekdays and completely removed 10-11pms during the weekday) per season to less than 100 hours per season (almost half of the hours from the previous 10-year contract).

KMHA ice schedulers over the last 5 seasons have done an excellent job with reducing our burn rate (ice going unused that is still paid for, thus a loss) from 15% per season to less than 3% which relates to savings of approximately \$100 thousand in ice cost, With all this being done despite the new ice return policy from the City of Ottawa. This year, the ice return policy from the city changed significantly for all minor hockey use. We used to being able to return unneeded ice within 10 days of use, to now if not returned ice within 60 days of use we would pay a penalty of 25% of the hourly rate and if we returned it within 30 days of use the penalty would jump to 50% of the hourly cost, if we return the ice less the 30 days of use you receive no credit back from the city. This has

been a significant hurdle for us and caused significant adjustments and impact on the way decisions now have to be made.

We continue to maintain the private contract with the Sensplex because the City of Ottawa does not provide KMHA with enough ice to run our programs. We purchase one-third of our ice on private contract. If we were to rely solely on ice from the City, we would have to shrink our program by about 30 percent. We also send Kanata kids to Nepean to practice (and sometimes play) because the ice allocation we receive from the City includes arenas in Nepean and elsewhere. We can't get all our ice in Kanata!

Major Novice A and B teams were introduced in HEO.. Originally KMHA did not field a team at Novice B and there appeared to be only modest interest in Novice A. As a result, we approved transfers of 5 to 8 players to other associations who wanted to play Major Novice B.. KMHA will be introducing a Major Novice B for the 2017-2018 season for any KMHA players who would like to pursue playing Rep Hockey.

The retention of midget-aged players is across the country. The retention of competitive midget-aged players is even more problematic. Changes within HEO, including the introduction of the U18 AAA Midget pilot program seems to have impacted the number of players who want to play competitive hockey at this age level for KMHA. In order to continue to field teams, KMHA has allowed players to transfer in to KMHA to play on our Midget AA team. I hope by adding additional competitive teams at lower levels, like Novice, it may help over time with the lack of players at higher levels and allow KMHA to keep Kanata kids on its teams. Our goal is to keep players playing as long as possible.

KMHA has also brought in new ice scheduling system and ice for sale website. These programs were created by members of KMHA. These programs were designed to help coaches and any KMHA member see their team schedules, save costs and make ice equally available to all KMHA coaches.

Two years ago HEO increased the insurance and participation fee from \$26.00 per person to \$39.00 per person; these fees are paid for every player we have registered and the entire bench staff. KMHA absorbed the first year of this increase without passing it on to the membership. In the second year KMHA made the decision to hold the bench staff to 7 people per team and 10 people per team for IP. The logic for this was to help maintain cost.

On a personal note, it has also been my pleasure to serve and work on the Board of the Kanata Bantam Charity Tournament. This has been a significant amount of work for the past 5 seasons, but it has been a labor of love. We have raised and donated on behalf of KMHA over \$76 thousand to Youth Services Board in memory of Jamie Hubleby, Ruddy Shenkman Hospice in Kanata, Hopes Rising the mental Health Intuitive for the Queensway Carleton Hospital. I truly

believe that there is more to hockey than hockey and working to help donate to the community through hockey is a way for us to give back to our community.

Volunteers fuel us.

The KMHA Board of Directors and District are made up of seven people who may spent anywhere from 10 to 40+ hours per week. I would like to make note that four of these current seven individuals no longer have children playing in KMHA . The Board is supported by volunteers who are appointed to our various committees to tackle critical administrative activities like registration, convening, officiating and many more. Ultimately our program relies most heavily on the coaches and other team officials who work directly with our players.

KMHA is fortunate to have a number of independent Board members and other volunteers who are passionate about minor hockey and who willingly offer their time. These volunteers do not have children playing with KMHA. They enhance the overall governance of KMHA through their objectivity and independence.

It has been a privilege and honor to have worked with so many dedicated volunteers over the years. Without volunteers like you KMHA would not be what it is today so THANK YOU for your time and dedication.

Scott Leger

President Kanata Minor Hockey Association

Minuets for 2015/16 AGM

See schedule A

Business arising from 2015/16 Minuets- None

Financial Report- Treasurer Dale Hudson

** pls see schedule B**

Kanata Minor Hockey Association Management's Discussion and Analysis For the year ended April 30th, 2016

Results of Operations

	<u>2016</u>	<u>% of Registration Fees</u>	<u>2015</u>	<u>% of Registration Fees</u>	<u>Change from Prior Year</u>	<u>% Change from Prior Year</u>
Registration Fees	1,030,708	100%	1,044,323	100%	(13,615)	(1%)
Ice Rental - net	653,181	63%	656,666	63%	(3,485)	(1%)
Referee Costs - net	104,534	10%	122,985	12%	(18,451)	(15%)
Other Program Costs - net	33,681	3%	56,303	5%	(22,622)	(40%)
Insurance	85,089	8%	92,953	9%	(7,864)	(8%)
General & Administrative	101,041	10%	109,330	10%	(8,289)	(8%)
Bank Charges & Merchant fees	29,439	3%	39,947	4%	(10,508)	(26%)
Net Operating Expenses	1,006,965	98%	1,078,184	103%	(71,219)	(7%)
Income (loss) before other	23,743	2%	(33,861)	(3%)	57,604	(170%)
Other Income & Fundraising - net	15,605	2%	23,195	2%	(7,590)	(33%)
Transfer to capital assets	(173,874)	(17%)	-	0%	(173,874)	-
Income (loss)	(134,526)	(13%)	(10,666)	(1%)	(123,860)	1161%

Registration Fees

Revenue from registration fees was comparable to the prior year reflecting consistent enrollment and no change in the registration fee in 2016 from that charged in 2015.

Ice Rental

	<u>2016</u>	<u>2015</u>	<u>Change from Prior Year</u>	<u>% Change from Prior Year</u>
Ice Rentals	881,853	879,794	2,059	0%
less: Ice Rental Revenue	(228,672)	(223,128)	(5,544)	2%
Ice Rental - net	653,181	656,666	(3,485)	(1%)

Ice rental expenses net of ice rental revenues were comparable to those incurred in fiscal 2015. Both the cost of ice and the rental revenue were consistent with the prior. Despite the lower revenue recovery, we continued to experience a consistently

low rate of unused ice (“burn rate”) of approximately 3%. Forthcoming changes in the City of Ottawa ice allocation policy restricting the ability to return unused ice will put pressure on maintaining this burn rate in the future especially in regards to managing ice requirements during the competitive playoff season.

Referees and Timekeepers

	<u>2016</u>	<u>2015</u>	<u>Change from Prior Year</u>	<u>% Change from Prior Year</u>
Referee Costs	212,036	225,495	(13,459)	(6%)
less: Referee Revenue	<u>(107,502)</u>	<u>(102,510)</u>	<u>(4,992)</u>	<u>5%</u>
Referee Costs - net	104,534	122,985	(18,451)	(15%)

Referee expenses net of referee revenues decreased 15% in fiscal 2016 compared to 2015. This was due to lower referee costs of 6% and combined with 5% higher referee revenue driven by change in volume.

Other Program Costs

Other hockey program costs net of clinic revenue decreased 40% for the 2016 fiscal year compared to 2015. The increase was driven by the centralization of delivery of clinics away from delivery at the association level and lower costs of equipment and repairs.

Insurance

Insurance costs incurred in 2016 decreased 8% compared to 2015 driven by a small decrease in cost per for the Hockey Canada Insurance Program charged to the association for each player and team official.

General & Administrative

General and administrative costs decreased 8% in fiscal 2016. This was the result of a decrease in professional fees. Legal fees were incurred in 2015 for the negotiation of a new ice agreement with the Sensplex and to develop and implement a new set of bylaws for the association.

Bank Charges and Merchant Fees

Bank charges and merchant fees decreased 26% for the 2016 fiscal year compared to 2015. The decrease was driven by lower credit card processing fees negotiated with our vendor and slightly lower volume of registration fees in 2016.

Other Income & Fundraising

Other income including fundraising decreased 33% in 2016 compared to 2015. The decrease is due to limited fundraising activities undertaken beyond receipt of unsolicited sponsorships.

Income (Loss)

A loss of \$134,526 was incurred for fiscal 2016 compared to a loss of \$10,666 for 2015. The 2016 loss includes an allocation of \$173,874 of surplus to cover the cost of acquiring new sweaters for the house league program. This was offset by lower operating costs while keeping registration fees flat.

Balance Sheet and Cash Flows

Cash and short term investments were \$251,671 and the end of fiscal 2016 compared to \$307,794 for 2015 which is a decrease of \$56,123. The decrease was driven primarily from the payment of the balance due for the purchase of new house league sweaters.

The operating surplus decreased \$134,526 to \$248,360 due to the allocation of surplus to fund the purchase of sweaters net of reductions in operating expenses noted above. Additional allocations of surplus are expected when a refresh of the competitive team sweaters is undertaken in the future. The new investment in capital assets increased to \$116,436 due to the sweater purchase net of amortization.

Thank You
Dale Hudson
KMHA Treasurer

VP of Hockey Programs-Ralph Petersen

The 2016/2017 season was another great success for the KMHA, measurement of this is not based on the number of Tournaments or Championships won but rather on the overwhelming positive feedback from our members via surveys and general feedback.

It takes many volunteers to contribute large amounts of time and effort from the start of tryouts/sort-outs to the end of season, your commitment and dedication to providing all of our members a great hockey experience is truly appreciated.

Goalie Development

Our Association has faced the same dilemma over the past few seasons as other associations in our Branch and that is the declining enrollment of players at this position.

We once again offered our goalies extra development sessions at the Dave Stathos Goalie Performance Center. Many goalies took advantage of this opportunity and the feedback was positive, I would like to take this moment to recognize Dave and all his staff at the Performance Center for working with the KMHA on this, Thank You.

We also had a 67`s goalie night, this evening was open to all goalies and provided some on ice development from the 67`s goalie Coach (Paul Schonfelder), 67`s Goalie (Olivier Lafreniere) and other volunteers. This session was followed directly by a Coaching session led by Paul. Feedback from the goalie Coach session prompted us to have another goalie Coach session led by KMHA`s own Warren Wilkinson.

We have been working within our resources of Hockey Canada, HEO, other Minor Hockey Associations "best practices" principles and of course the feedback from our members in an effort to continue developing and promoting this position.

Power Skating Development

KMHA once again offered power skating instruction to all teams Novice through Bantam. Feedback from the past couple of years was that everyone saw the benefit but perhaps the program was getting a bit stale. With that in mind the program was changed a bit to offer some more balance and agility development in the sessions for older and more skilled teams. These sessions were coordinated once again by Andrea Trainor, this by no means is an easy task and I want to acknowledge Andrea and all of the instructors, this year was by far the best we have had. **Thank You!**

New Hockey Canada Mandate for the 2017 Season

Hockey Canada wants all of Canada on the same page when it comes to the delivery of its Initiation Program – traditionally a player's first brush with organized hockey at the ages of five and six.

Although the Initiation Program – originally developed more than 35 years ago – always recommended cross-ice or half-ice small-area games, its delivery has varied from community to community. Beginning in the upcoming 2017-18 season, a new Hockey Canada policy now mandates that Initiation-aged players receive age-appropriate programming on cross-ice or half-ice surfaces.

In closing I want to say **Thank You** to all the volunteers, from the Committee members, Coaches, Trainers, Team Managers to the parent who volunteers to carpool pool another player. It takes a total team effort to ensuring everyone has a great experience while following policies and procedures put forth by all Governing bodies, in my opinion you are all **Champions!**

Ralph Petersen
KMHA
VP Hockey Programs

Registrar's Report- Kate Dennehy

The following is a breakdown of registration for the 2016-2017 season:

Total players in KMHA – 1664 / 101 teams (18 rep and 83 house)

IP – 159 players / 8 teams

Novice – 302 players / 1 rep team – 4 A teams – 10 B teams – 4 C teams = 19 teams

Atom – 324 players / 5 rep teams – 4 A teams – 7 B teams – 4 C teams = 20 teams

Peewee – 302 players / 5 rep teams – 4 A teams – 6 B teams – 4 C teams = 19 teams

Bantam – 320 players / 4 rep teams – 4 A teams – 8 B teams – 4 C teams = 20 teams

Midget – 257 players / 3 rep teams – 6 A teams – 6 B teams = 15 teams

Thank you

Kate Dennehy

KMHA Registrar

Risk and Safety Report- Andy Choquette

Risk, Discipline & Code of Conduct Issues

1. KMHA applied its policy and Bylaws in accordance with HEO Minor and Hockey Canadas rules and policies resulting in disciplinary action. There were **14 issues** requiring Risk and Safety to investigate, including 4 formal complaints submitted through KMHA administrative channels. Of the 14 issues, including the 4 formal complaints, 12 incidents required extensive follow-up or in person action.

Other incidents included at KMHA Risk & Safety level included:

- a. 6 investigations;
- b. 2 Hearings resulting in a suspension for remainder of 16/17 Season of 2 player;
- c. 2 Letters of Apologies written by members for related to conduct;
- d. 1 'in-person" warning to 2 teams regarding conduct of play;
- e. 1 transfer of player from team to another to mitigate conduct; and
- f. 2 Letter's of probation for behavior.

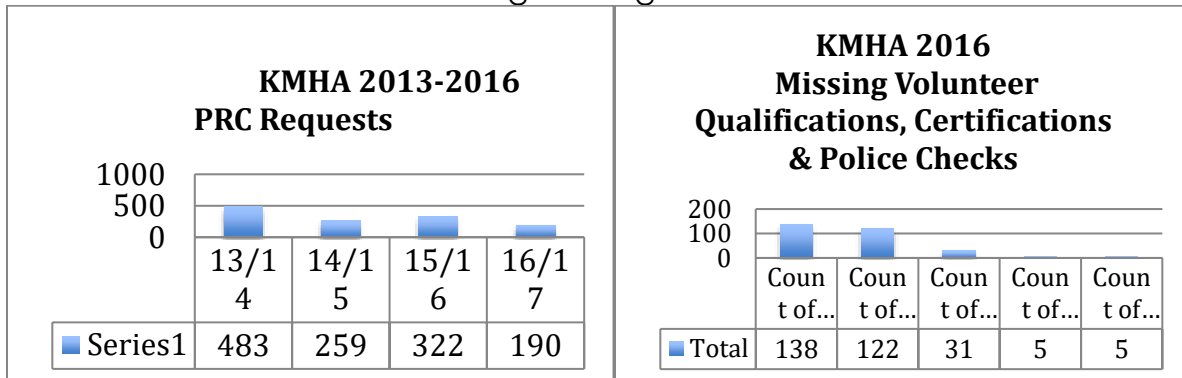
Furthermore, there were no less than 2 separate Parent interviews/meetings and 3 separate Coach interviews/meetings. A minimum of 20+ "topical" emails raising risk and safety concerns to KMHA regarding safety concerns on ice, qualification standards, dressing room policy, coaching concerns, language use, trainer policy, conduct and other procedural matters.

Injury Reporting & Verification/Spot checks

1. 6 On-Ice Injury reports were forwarded to HEO for Hockey Canada for action.
2. Risk and Safety and other KMHA Exec members performed roving spot checks on all the KMHA sanctioned events/games and tournaments throughout the season for violations of Code of Conduct and the Parent/Spectator Code of Conduct and will continue to do so for next season. During random spot checks at KMHA facilities, there were 2 warnings to Coach/Parents/Spectators for Code of Conduct and/or safety violations.

Qualifications, Certification and Police Checks

3. Failure for an association to follow Hockey Canada guidelines, rules or policies could impact Association members, Hockey Canada Insurance requirements and the association standing within HEO Minor. In light of this, for the 16/17 season, KMHA instituted a policy whereby if a member was issues a volunteer letter during the previous season, and had received, or not submitted their returned and validated PRC, the member would not be eligible for a KMHA Volunteer letter for a free PRC and would be required to cover the cost of a PRC. Furthermore they would not be allowed on the bench until such time as they provided KMHA with a copy of a receipt indicating that they had submitted their PRC. Police checks, certifications and qualifications are a Hockey Canada requirement.
4. 16/17 Season:
 - a. 190 Volunteer Letters issued.
 - b. Numbers of outstanding Police Checks from 15/16 Season: 138
 - c. Number of Volunteer Letters issued 190
 - d. Number of Missing Respect In Sport 31
 - e. Number of Missing Coach certs 5
 - f. Number of Missing Training certs 5



If you think that your police check is not valid or is about to expire, please contact Risk and Safety Coord at riskandsafety@kmha.ca

All KMHA members are strongly encouraged to beat the rush at the beginning of next season and request your KMHA Volunteer Letter now to get the City of Ottawa Police Check done for free.

You will not be permitted on a Team Roster next season until your Police check is submitted and/or in progress. Speak Out and Trainers courses will be offered, dates to be confirmed for next season, please watch the KMHA website for more information As this is my 3rd and final season as the KMHA Risk & Safety coordinator, I thank all the KMHA members who displayed sportsmanship and who met the challenges with their players, parents, and volunteers to ensure all

within KMHA continue to enjoy the great game of hockey. And finally, I thank all my volunteers for R&S panels, all the trainers and helpers who ensured that our players had a fun and safe year. Thank you to all.

Thank you
Andy Choquette
Risk and Safety Coordinator
riskandsafety@kmha.ca

Congratulations to the following coaches and volunteers that received 2016/17 awards at an earlier ceremony

Ip

2016/17 IP coach Mark De Verno

2016/17 IP Coach Jason Dunn

2016/17 IP Volunteer of the year- Andrea Graziani

Novice

2016/17 Novice A Coach - Ryan Kealey

2016/17 Novice B Coach - Chris Kingston

2016/17 Novice C Coach - Steve MacFarlane

2016/17 Novice Volunteer of the year - Denise Nap

Atom

2016/17 Atom A Coach - Paul Downward

2016/17 Atom B Coach - Phil Vigneron.

2016/17 Atom C Coach - Matt McDonald

2016/17 Atom volunteer of the year - Amy DuBreuil

Peewee

2016/17 atom A Coach- Andy McAfee

2016/17 Atom B Coach - Doug Korchinski

2016/17 Atom C Coach- Richard Abela

2016/17 Atom Volunteer of the year - Sean Wert

Bantam

2016/17 Bantam C Coach - Chris Prudhomme

2016/17 Bantam B Coach - Chris Medl

2016/17 Bantam A Coach - Mark Joannis

2016/17 bantam Volunteer - Bonnie Maclean

Midget

2017/18 Midget A Coach. Kevin d'Entremont

2017/18 Midget B Coach. Greg Clost, Jeff Smith, Guy Sabourin

2017/18 Midget Volunteer- Kanata Predators

Rep Team

2017/18 AA Coach - Kevin MacTavish

2017/18 A Coach - Todd White

2017/2018 B Coach Chris Larocque

2017/2018 Rep Volunteer of the year Jesse Gratton

2017/2018 Rep Volunteer of the year Del Brown

Overall House Coach of the year Steve Monette

Overall Rep Coach of the year- Trevor Peters

Executive Awards

Ralph Petersen

Sharon Grenier Wood

Erin Murphy

Volunteer of the year Eric McKeown

Volunteer of the year Johnna Thompson

New Business

2.02 Affiliations The Corporation shall be a member of the following organizations: (a) Hockey Eastern Ontario Minor ("HEO MINOR"); (b) Hockey Eastern Ontario (HEO); and (c) Hockey Canada.

2.03 HEO MINOR – DISTRICT 11

The Corporation shall be a member of District 11 of HEO MINOR. District 11 will represent the Corporation and its interests at the HEO MINOR level.

SECTION 9 - MEMBERSHIP

(i) An individual who has had their membership in the Corporation suspended or terminated in the last ten (10) years must apply to the Board for special permission to become a Member of the Corporation. Such application to the Board must be made in writing by way of an e-mail or letter delivered to the General Manager of the Corporation or other individual designated by the Board. The individual must provide to the Board sufficient evidence of their genuine intent and desire to further the Corporation's purposes and to abide by the Corporation's By-laws, Code of Conduct and other policies in force from time to time. The Board shall determine, in its sole discretion, whether or not to admit such an individual as a Member of the Corporation. The Board may, in its sole discretion, approve the membership of such individual subject to the fulfillment of any conditions the Board deems appropriate. The Board's decision on whether or not to allow an individual hereunder to become a Member of the Corporation shall be final and binding and not subject to any right of appeal.

9.02 Membership Transferability

A membership in the Corporation is not transferable.

9.03 Disciplinary Act or Termination of Membership for Cause

(a) The Board may pass a resolution authorizing the disciplinary action of a Member, including the immediate suspension or termination of the Member's membership in the Corporation, on account of such Member violating any provision of the Corporation's By-laws, Code of Conduct or other policies in force from time to time.

(b) The Board shall deliver a written notice of its resolution to the affected Member. The notice shall set out the reasons for the disciplinary action being taken. The Member receiving the notice shall have ten (10) days from the receipt of such notice to provide the Board with a written submission opposing the disciplinary action. Such submission must be made in writing by way of an e-

mail or letter delivered to the General Manager of the Corporation or other individual designated by the Board. The Board shall have the right to suspend or terminate the Member's membership, or impose any other disciplinary action it deems appropriate, as of the date it delivers the written notice of its resolution to the affected Member. The Board shall consider the written submission of the Member in deciding whether to uphold, modify or retract the disciplinary action set forth in its written notice to the Member.

- Election of Directors
- Adjournment

Schedule A

AGM, April 19 2016
7:30 pm KRC arena Hall A

Role Call

Scott Leger
Jim Hay
Ralph Petersen
Dale Hudson
Shelley Zimmerman
Andy Choquette

***Scott Leger**

1750 players this year registered
1st year with new bylaws
1st year midget AA program (kmha sent out a survey and voted no, to return to old format at heo minor, ultimately vote was in favor of keep the current)
Bantam charity tournament a huge success raised \$15,528.04 which was donated to Ruddy Shenkman Hospice
New Jersey's coming for house league
City of Ottawa new ice policy, kmha will be re thinking current process so we don't take a big hit, we must be very diligent
A big thank you to all board of directors and our district chair for their time and efforts this season- well done
*Motion to adopt minuets from 2014/15 agm
Richard Perkins- 2nd by Rob McGregor- all in favor-yes
* No new business arising from 2014/15 minuets

***Dale Hudson**

Financially we are in great shape- a couple of big items brought up administration coast this year- lawyers for sensplex contract and bylaws.
New house jerseys as well
We are in good shape financially
*Motion to appoint financial auditor WPG
Steve Bell-2nd by David Farnes- all in agreement-yes
*Ralph Petersen
Great year- thank you to all that volunteer
*Andy Choquette
Policy and procedure manual
500 prc's this year

2016/17 HEO will have a new set of guidelines, will have them posted once they are made available to us.

*No need to appoint a returning officer and scrutineers as all current positions for the board have been acclaimed by the current board(no one else submitted their name to run against any of the current)

Scott Leger, Ralph Petersen, Dale Hudson, Jim Hay, Andy Choquette, Shelley Zimmerman,

*No new business

Motion to adjourn meeting

Ralph Petersen-2nd by Sharon Grenier Wood

All in favor –yes

Schedule B

Thomas Foran FCA(Dec)
W. Gordon Wells, CA (Ret)
Alan Gutman, CPA, CA, LPA
Martin Payne, CPA, CA, LPA



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KANATA MINOR HOCKEY ASSOCIATION

FINANCIAL STATEMENTS

APRIL 30, 2016

Thomas Foran FCA(Dec)
W. Gordon Wells, CA (Ret)
Alan Gutman, CPA, CA, LPA
Martin Payne, CPA, CA, LPA



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Thomas Foran FCA(Dec)
W. Gordon Wells, CA (Ret)
Alan Gutman, CPA, CA, LPA
Martin Payne, CPA, CA, LPA



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INDEPENDENT AUDITORS' REPORT

To the Board of Kanata Minor Hockey Association:

Audit Report

We have audited the financial statements of Kanata Minor Hockey Association, which comprise the statements of financial position as at April 30, 2016 and April 30, 2015 and the statements of fund operations and changes in net assets and cash flows for the years 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 the audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of the 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 that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

In common with many similar organizations, the Association derives revenues from fundraising activities, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Association and we were not able to determine whether any adjustments might be necessary to fundraising revenues, excess of revenues over expenses, assets and net assets.

Qualified Opinion

In our opinion, except for the effect of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Kanata Minor Hockey Association as at April 30, 2016 and April 30, 2015 and the results of its operations and cash flows for the years then ended, in accordance with Canadian accounting standards for not-for-profit organizations.



WGP PROFESSIONAL
ASSOCIATION CHARTERED
ACCOUNTANTS

Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

Ottawa, Ontario
September 29, 2016

KANATA MINOR HOCKEY ASSOCIATION


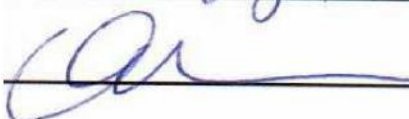
STATEMENT OF FINANCIAL POSITION

AS AT APRIL 30, 2016

	2016		2015	
	Operating Fund \$	Net investment in capital assets \$	Total \$	Total \$
Assets				
Cash	251,671	-	251,671	302,502
Accounts receivable	3,565	-	3,565	346
Prepaid expense	-	-	-	86,446
	-	-	-	5,292

Short term investments	255,236	-	255,236	394,586
Capital assets (note 3)	-	116,436	116,436	10,242
	255,236	116,436	371,672	404,828
Liabilities				
Accounts payable and accrued liabilities	6,876	-	6,876	11,700
Commitment (note 6)				
Net assets	248,360	116,436	364,796	393,128
Represented by:				
Operating fund	248,360	-	248,360	382,886
Net investment in capital assets (note 4)	-	116,436	116,436	10,242
	248,360	116,436	364,796	393,128

Approved by the Board:

(The accompanying notes are an integral part of these financial statements)



KANATA MINOR HOCKEY ASSOCIATION

STATEMENT OF FUND OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED APRIL 30, 2016

	2016		2015	
	Operating Fund actual \$	Net investment in capital assets actual \$ (note 4)	Total actual \$	Total actual \$
Revenue				
Registration fee (net of subsidies) and Ice rentals	1,030,708	-	1,030,708	1,044,323
Referee	228,672	-	228,672	223,128
Clinics	107,502	-	107,502	102,510
Miscellaneous and other income	5,187	-	5,187	2,786
Transfer to capital assets	23,430	-	23,430	19,391
	(173,874)	173,874	-	-
	1,221,625	173,874	1,395,499	1,392,138
Expenses				
Hockey programs - referee costs	212,036	-	212,036	225,495
Hockey programs - ice rentals	881,853	-	881,853	879,794
Hockey programs - development and	24,103	-	24,103	32,113
Hockey programs - league fees	12,834	-	12,834	14,785
Hockey programs - equipment	8,746	-	8,746	17,386
Hockey programs - other	6,019	-	6,019	9,590
Insurance	85,089	-	85,089	92,953
Rental	15,259	-	15,259	15,331
Donations	195	-	195	-
Office and administration	81,138	-	81,138	63,254
Professional fees	3,376	-	3,376	28,625
Interest, bank charges and merchant fees	29,439	-	29,439	39,947
Miscellaneous	1,073	-	1,073	2,120
Amortization of capital assets	-	67,680	67,680	28,236
	1,361,160	67,680	1,428,840	1,449,629
Income (loss) from general operations	(139,535)	106,194	(33,341)	(57,491)
Fundraising activities - net of costs	5,009	-	5,009	18,589
Excess (deficiency) of revenue over expenses for the year	(134,526)	106,194	(28,332)	(38,902)
Net assets, beginning of the year	382,886	10,242	393,128	432,030
Net assets, end of the year	248,360	116,436	364,796	393,128

(The accompanying notes are an integral part of these financial statements)



KANATA MINOR HOCKEY ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED APRIL 30, 2016

	2016		2015	
	Operating Fund	Net investment in capital assets	Total	Total
	\$	\$	\$	\$
Cash provided by (used in):				
Operating activities:				
Excess (deficiency) of revenue over expenses for the year	(134,526)	106,194	(28,332)	(38,902)
Less non-cash expenses:				
Amortization	-	67,680	67,680	28,236
Changes in non-cash working capital balances:				
Accounts receivable	(3,219)	-	(3,219)	(346)
Prepaid expenses	86,446	-	86,446	(86,446)
Accounts payable and accrued liabilities	(4,824)	-	(4,824)	6,367
	(56,123)	173,874	117,751	(91,091)
Investing activities:				
Sale (purchase) of investments	5,292	-	5,292	175
Purchase of capital assets		(173,874)	(173,874)	-
Increase (decrease) in cash during the year	(50,831)	-	(50,831)	(90,916)
Cash, beginning of the year	302,502	-	302,502	393,418
Cash, end of the year	251,671	-	251,671	302,502
Supplemental information:				
Interest received	87	-	87	-

KANATA MINOR HOCKEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016

1. Operations

The Association is incorporated as a non-profit organization under The Corporations Act of Ontario.

As such it is exempt from income taxes.

The Association has over 1,700 children playing in House League and Competitive divisions. The objective of the Association is to foster and encourage the sport of minor hockey throughout the former City of Kanata (now part of the City of Ottawa)

2. Significant accounting principles

(a) Canadian accounting standards for not-for-profit organizations

The Association applies Canadian accounting standards for not-for-profit organizations.

(b) Fund accounting

The Association follows the restricted method of accounting for contributions.

The operating fund reports registration fees collected from teams and registrants, and expenses related to the operations and administration of the Association.

Net investment in capital assets reports the historical cost of capital assets less the accumulated amortization of those assets.

(c) Capital assets

Capital assets are recorded at cost and are amortized according to the straight-line method

commencing in the year of acquisition, as follows:

Sweaters and goalie equipment	3 years
Furniture and fixtures	5 years
Office, general, and computer equipment	5 years

(d) Financial instruments

Financial assets and financial liabilities are initially recognized at fair value and their

subsequent measurement depends on the nature of the financial instrument.

The Association's financial instruments are measured as follows:

Financial Asset/Liability	Measurement
Cash	Fair value
Investments	Amortized cost
Accounts receivable	Amortized cost
Accounts payable	Amortized cost

KANATA MINOR HOCKEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016

2. Significant accounting principles (continued)

(e) Use of estimates

The preparation of financial statements in accordance 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 revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

(f) Revenue recognition

Revenue from teams and registrants are recognized when collected.

(g) Inventory

Inventory consists of items held for resale. These are valued at the lower of actual cost and net realizable value.

3. Capital assets

The capital assets are as follows:

	2016		2015	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Sweaters	200,672	85,510	115,162	9,310
Goalie equipment	49,253	49,253	-	-
Office equipment	1,242	1,242	-	-
Furniture and fixtures	1,911	1,911	-	-
General equipment	10,254	10,254	-	-
Computer equipment	6,657	5,383	1,274	932
	<u>269,989</u>	<u>153,553</u>	<u>116,436</u>	<u>10,242</u>

KANATA MINOR HOCKEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016

4. Net investment in capital assets

The change in net assets invested in capital assets is as follows:

	2016	2015
	\$	\$
Balance, beginning of the year	10,242	38,478
Capital assets purchased during the year	173,874	-
Amortization expense	(67,680)	(28,236)
	<u>116,436</u>	<u>10,242</u>

5. Financial instruments and risk management

The Association's financial instruments consist of cash, investments, accounts receivable, and accounts payable. Credit risk refers to the risk resulting from the possibility that parties may default on their financial obligations to the organization. Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments.

6. Commitment

The Association has entered into a one year agreement for the rental of office, board room and storage space from the City of Ottawa. The commitment under this contract for 2017 is approximately \$15,500.

7. Income taxes

The Association is a not-for-profit-organization and hence is exempt from income taxes.

8. Remuneration to officers and directors

The remuneration to officers and directors during the year was nil (2015-nil).

9. Ice rental

The Association rents the most significant portion of its ice from the City of Ottawa (2016-66%; 2015 63%).

KANATA MINOR HOCKEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016

10. Volunteer services

The activities of the Association are dependent upon the voluntary services of many of its members. No amounts are reflected in the financial statements for these contributed services since there is no objective basis available to measure the value of these services.

11. Capital management

As a not-for-profit entity, the Association's operations are reliant on revenues generated annually. Over its history, the Association has accumulated net assets in its operating. A portion of the accumulated net assets, in the operating fund, is retained as working capital which may be required from time to time due to timing delays in receiving external funding. The remaining balance in the operating fund is available for the use of the Association at management's discretion.