



KELOWNA MINOR HOCKEY ASSOCIATION
ANNUAL GENERAL MEETING MAY 27, 2024

Welcome to the 2024
KMHA AGM



- Call meeting to Order
- Introductions
- Approval of Agenda



President's Report

Dylan Michie



Review Engagement

Chris Kerr – KMHA

Treasurer

Britt Vig BDO

Financial Report

**Kelowna Minor Hockey Association
Financial Statements
For the year ended March 31, 2024
(Unaudited)**

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Independent Practitioner's Review Engagement Report

To the Board of Directors of Kelowna Minor Hockey Association

We have reviewed the accompanying financial statements of Kelowna Minor Hockey Association that comprise the statement of financial position as at March 31, 2024, 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 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Basis for Qualified Conclusion

In common with many not-for-profit organizations, Kelowna Minor Hockey Association derives revenue from donations, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of Kelowna Minor Hockey Association. Therefore, we were not able to determine whether any adjustments might be necessary to donations revenue, deficiency of revenues over expenses, and cash flows from operations for the year ended March 31, 2024 current assets as at March 31, 2024, and net assets as at April 1 and March 31, for the 2024 year.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Kelowna Minor Hockey Association as at March 31, 2024, 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.

Chartered Professional Accountants
Kelowna, British Columbia
May 27, 2024

Kelowna Minor Hockey Association
Statement of Financial Position
(Unaudited)

<u>March 31</u>	<u>2024</u>	<u>2023</u>
Assets		
Current		
Cash	\$ 155,233	\$ 222,338
Restricted cash (Note 2)	7,672	-
Accounts receivable (Note 3)	80,046	140,112
Prepaid expenses	11,900	11,900
	<u>307,255</u>	<u>321,956</u>
Liabilities and Net Assets		
Current		
Restricted bank indebtedness (Note 2)	\$ 308,430	\$ 323,458
	<u>277</u>	<u>-</u>
Accounts payable and accrued liabilities	73,920	80,200
Deferred revenue (Note 5)	9,060	9,755
	<u>86,257</u>	<u>89,955</u>
Long-term debt	-	40,000
	<u>86,257</u>	<u>129,955</u>
Net Assets		
Unrestricted	\$ 222,173	\$ 193,503
	<u>308,430</u>	<u>323,458</u>
	<u>30</u>	<u>8</u>
	Director	

Approved on behalf of the Board:

Kelowna Minor Hockey Association
Statement of Changes in Net Assets
(Unaudited)

For the year ended March 31

Net Assets	2024	2023
Balance, beginning of year	\$ 193,503	\$ 195,093
Excess (deficiency) of revenues over expenses	28,670	(1,590)
Balance, end of year	\$ 222,173	\$ 193,503

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Kelowna Minor Hockey Association
Statement of Operations
(Unaudited)

<u>For the year ended March 31</u>	<u>2024</u>	<u>2023</u>
Revenues		
Registration fees	\$ 1,119,955	942,
Zone AA	7,660	12,165
	<u>1,127,615</u>	<u>954,493</u>
Fundraising		
Gaming funds (Note 6)	152,000	152,000
Other tournament operations - net (Note 7)	294,904	281,099
Sponsors	88,260	106,975
50/50 lottery - net (Note 8)	<u>132,706</u>	<u>121,606</u>
	<u>667,870</u>	<u>661,680</u>
Other		
Interest	15,422	8,136
Total revenues	1,810,847	1,624,309
Expenses (Note 9)	1,782,177	1,625,899
Excess (deficiency) of revenues over expenses for the year	\$ 28,67	\$ (1,590)

Kelowna Minor Hockey Association
Statement of Cash Flows
(Unaudited)

<u>For the year ended March 31</u>	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Cash receipts from members	\$ 2,014,436	\$ 1,841,06
Cash paid to employees and suppliers	(2,067,942)	(1,839,942)
Interest received	15,422	8, 13
	<hr/>	<hr/>
	(38,084)	29,2
	<hr/>	<hr/>
Cash flows from financing activities		
Proceeds from long term debt	(40,000)	-
	<hr/>	<hr/>
Net decrease (increase) in cash	(78,084)	29,2 63
Cash, beginning of year	230,01	200,7
	<hr/>	<hr/>
Cash, end of year	\$ 151,92	\$ 230,0
	<hr/>	<hr/>
Cash represented by:		
Cash	\$ 155,20	\$ 222,
Restricted cash (bank indebtedness)	3 (3,277)	338 7,672
	<hr/>	<hr/>
	\$ 151,92	\$ 230,
	<hr/>	<hr/>
	6	010

Kelowna Minor Hockey Association
Notes to the Financial Statements
(Unaudited)

March 31, 2024

1. Summary of Significant Accounting Policies

Nature of Organization	Kelowna Minor Hockey Association (the "Association") is incorporated as a Society under the laws of British Columbia and is a non-profit organization and Trust under the Income Tax Act engaged in the operation of a minor hockey program.
Basis of Accounting	These financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.
Cash and Cash Equivalents	Cash and cash equivalents consist of bank balances and cash on hand.
Equipment	Equipment is recorded at cost less accumulated amortization. Amortization is based on the estimated useful life of the asset and is calculated as follows: Concession equipment Computer equipment Hockey equipment Office equipment - 20 % diminishing balance basis - 30 % diminishing balance basis - 5 year straight line basis - 20 % diminishing balance basis
Government Assistance	The Association makes periodic applications for financial assistance under government incentive programs. Government assistance received during the year is included in the determination of net income for the year.
Financial Instruments	Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported either at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are charged to the financial instrument.

Kelowna Minor Hockey Association
Notes to the Financial Statements
(Unaudited)

March 31, 2024

1. Summary of Significant Accounting Policies (continued)

**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 revenues in the year in which they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Registration fees are recognized over the period in which they are earned. Fees received for a future program are deferred.

Revenues for fundraising concession, interest and sundry income are recognized when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Grant revenue restricted for the purchase of capital assets is recognized on the same basis that the capital asset is being amortized.

Sponsorship and marketing programs and all other revenues are recognized when the significant risks and rewards of ownership have been completed and there are no significant obligations remaining, the selling price is fixed and determinable, persuasive evidence of an arrangement exists and collectability is reasonably assured. This usually occurs at the time the services are provided.

**Contributed Materials
and Services**

Contributed materials and services which are used in the normal course of the Association's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if the fair value can be reasonably estimated. Volunteers assist the Association in carrying out various activities. Due to the difficulty of determining fair value, volunteer services are not recognized in the financial statements.

Use of Estimates

The preparation of these 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 future periods.

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Kelowna Minor Hockey Association
Notes to Financial Statements
(Unaudited)

March 31, 2024

2. Restricted Cash (Bank Indebtedness)

The Association's restricted cash holdings are held to fund the following:

	2024	2023
Gaming funds	\$ 1,122	\$ 6,978
Restricted cash for rep hockey teams	(77)	694
	<u><u>\$ (3,2)</u></u>	<u><u>\$ 7,721</u></u>
Accounts receivable balance includes government receivable of \$8,469 (2077) \$4,758 in 672 recoverable.		

3.4. Accounts Receivable Equipment

	2024	2023		
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Concession equipment	\$ 17,628	\$ 17,481	\$ 17,628	\$ 17,454
Net book value	<u><u>\$ 1,175</u></u>	<u><u>\$ 1,502</u></u>		
Computer equipment	23,995	23,807	23,995	23,727
5. Bank equipment	55,401	55,401	55,401	55,401
Office equipment	16,886	16,038	16,886	15,826
Deferred revenue consists of fees, fundraising revenue and bursary funds for the rep hockey teams. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made.	5	112,731	113,911	112,408
			<u><u>\$ 2004</u></u>	<u><u>\$ 2023</u></u>

Rep hockey team restricted funds	\$ 9,060	\$ 9,755
KIMMIT bursary funds	- 2,891	\$ 695 2,891
Player Assistance Fund	<u><u>\$ 6,169</u></u>	<u><u>\$ 6,169</u></u>
	<u><u>\$ 9,060</u></u>	<u><u>\$ 9,755</u></u>

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Kelowna Minor Hockey Association
Notes to Financial Statements
(Unaudited)

March 31, 2024

6. Gaming Funds

Expenses made using gaming funds are restricted by the British Columbia Gaming Commission. The Association uses these funds to pay for ice rentals, which is an eligible expense.

Included in cash (bank indebtedness) and cash equivalents are gaming funds of \$(4,277) (2023 - \$6,978).

7. Other Tournament Operations - Net

	2024	2023
Tournament revenues	\$ 361,128	\$ 370,118
Tournament expenses	<u>66,224</u>	<u>89,019</u>
	<u>\$ 294,904</u>	<u>\$ 281,099</u>

8. 50/50 Lottery Revenue - Net

	2024	2023
50/50 revenues	\$ 240,023	\$ 205,220
50/50 expenses	<u>107,317</u>	<u>83,614</u>
	<u>\$ 132,706</u>	<u>\$ 121,606</u>

Kelowna Minor Hockey Association
Notes to the Financial Statements
(Unaudited)

March 31, 2024

9. Expenses by Object

	2024	2023
Advertising	\$ 30,040	\$ 30,424
Amortization	327	424
Bad debt	1,717	21,862
Bank charges and interest	9,030	3,890
Bursary	4,175	3,150
Coaches development	5,862	8,400
Conventions and meetings	14,332	11,223
Hockey supplies	134,776	111,932
Hockey programs	267,874	233,088
Insurance	4,135	3,079
Office expense	25,562	18,532
Photographs	8,305	7,603
Player insurance and registration fees	118,074	88,401
Professional fees	<u>\$ 1,782,477</u>	<u>\$ 1,625,899</u>
Referees	215,191	166,590
Rentals - ice	717,323	708,779
Telephone	3,578	3,300
Wages and employee benefits	<u>205,399</u>	<u>192,437</u>

Draft - Subject to Change

Kelowna Minor Hockey Association
Notes to the Financial Statements
(Unaudited)

March 31, 2024

10. Financial Instrument Risk

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 Association is exposed to credit risk resulting from the possibility that a party to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Association's financial instruments that are exposed to concentrations of credit risk relate primarily to the trade accounts receivable from companies to which services are provided.

Liquidity risk

Liquidity risk is the risk that the Association encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Association will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable and accrued liabilities.

Management has determined that the Association is not significantly exposed to credit and liquidity risks arising from these financial instruments. There have been no changes from the previous year of policies, procedures and methods to measure the risk.

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Executive Director Report

Steve Smith



Awards

Most Promising Rec Coach

Most Promising Rep Coach

Rec Coach of the Year

Rep Coach of the Year

Marilyn Hedman Award



DHD Report

Quintin Laing



RIC Report

Larry Lenarduzzi



New Board Introduction

Outgoing Aaron Piva 2nd VP

New 2nd VP – Derek Lang



Returning Board Members

Rob Starke – Risk Management

Rob Mutch – Director at Large

Taryn Kuiack - Secretary



Q & A



ADJOURNMENT