



P.O. Box 632 Streetsville, ON L5M 2C2

## **MINUTES OF ANNUAL GENERAL MEETING**

***September 26, 2018***

*1. Call to Order and Welcome:*

Chairman Todd Ladner called the meeting to order at 7:15pm and welcomed those in attendance. He introduced the members of the Board as Myles Robinson, Jim Gray, Ken Hunter, Todd Smith, Toby Gardiner, George Vrbos, Neil Painchaud, Stephane Angers, James Parsons and Chris Loreto (absent).

*2. Attendance Report:*

Melanie Flake reported that there were 25 members (in good standing) in attendance, 6 proxies and 7 guests.

*3. Minutes of Previous Meeting:*

The minutes of the 49th Annual General Meeting held on Sept. 26, 2017 were presented. On a motion the minutes were unanimously approved.

*4. Business Arising Out of Minutes:*

None.

*5. Financial Report:*

James Parsons presented the Financial Report Summary for fiscal year ended April 30, 2018. (See attached).

On a motion the financial reports were unanimously approved.

*6. Appointment of Auditors:*

On a motion the appointment of Grant Thornton, LLP, Chartered Accountants as accountants of record to audit the financial statements of the Vic Johnston Community Centre for the fiscal year ended April 30, 2019 was unanimously approved.

7. *Chairman's Remarks:*

- See attached.

8. *By-Law Amendments:*

- See attached.

On a motion the by-law amendments as presented were unanimously approved.

9. *Corporate Update*

- *Facility & Operations (Jeff Duggan)*
  - See attached.
- *Programs (John Culleton):*
  - See attached.
- *SHL (Neil Painchaud)*
  - See attached.

10. *New Business - None*

11. *Special Awards*

- James Parsons & Stephane Angers both received their 5 year award for volunteer board service, being named Honourary Board Members. James will not be returning to the board in the 2018-2019 year.
- John Culleton awarded 1 player \$1,500 from the SHL student bursary. Congratulations to Oliver Foote who is currently away at university. Recipient's father was in attendance for the presentation of the award.

12. *Motion for All Acts Approval*

On a motion all acts, contracts, proceedings, by-laws, elections, appointments, payments enacted, made, done, taken by the directors, or on the books and records of the corporation be and the same are hereby unanimously approved, ratified and confirmed.

13. *Election of Directors*

Tim Holdaway reviewed the slate of nominees (Ken Hunter, Todd Smith, Toby Gardiner, George Vrbos, Neil Painchaud) with all attendees.

There were no additional nominations made meeting the requirements of the By-Laws of the corporation.

On a motion the slate of nominees was unanimously approved.

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The nominees were all acclaimed for a 2 year term.

14. *Motion for proxies to be destroyed*

On a motion the order to destroy proxies was unanimously approved.

15. *Adjournment*

On a motion the adjournment of the meeting was unanimously approved.

16. *Refreshments*

**Chair's remarks**

- been 10yrs since the renovation ....
- blush of newness is gone, the facility has seen some wear and tear
- we've also seen house league hockey registration, which was once the engine of the rink, start to contract in the past decade for various reasons that have been identified nation wide
- the Board recognized the need to update our approach to managing the facility and re-define some of the parameters Jeff works under on a daily basis
- We formed strategic committee's, traditionally chaired by a Director, and invited new volunteers to join us. The Committees cover all areas of operation and report to the Board with recommendations that can then help us (and Jeff) form our action plans, The Committee's are challenged to think outside of the box and generate new ideas on how we should conduct our business here
- We also recognized our excellent partnership with the City of Mississauga provides us with a bit of a safety net for any large scale Capital breakdowns or replacement projects we might encounter. Now we know instead of having to have a large annual profit target for emergency projects, we can re-purpose more of our resources throughout the year to elevate the standards of maintenance and care in the facility, and to embrace the strategic committee's sometimes costly recommendations for new Capital expenditures, new revenue producing programs and better branding and marketing of the Vic that will result in more increased advertising sales
- We've made some good progress and I think this model of Management will lead to a pretty exciting future here at the Vic.
- Everybody in the room here seems to play a role in our success and I thank you for contributions. Community involvement has always been the path to excellence here in Streetsville

**RESOLUTIONS OF THE MEMBERS AND DIRECTORS**

**OF**

**THE VIC JOHNSTON COMMUNITY CENTRE INC.**

*(hereinafter referred to as the "Corporation")*

**BE IT RESOLVED THAT:**

Section 8.5 of By-Law 1 of the Corporation, which reads,

Notice of Meetings - Notice of the time and place of a meeting of members shall be sent not less than 10 days and not more than 50 days before the date of the meeting:

a) to each member entitled to vote at the meeting (according to the records of the Corporation at the close of business on the day preceding the giving of the notice);

b) to each director; and

c) to the auditor of the Corporation.

Notice of a meeting of members at which special business is to be transacted shall state:

a) the nature of that business in sufficient detail to permit the member to form a reasoned judgment thereon; and

b) the text of any special resolution or by-law to be submitted to the meeting.

**be deleted and replaced with,**

Notice of Meetings - Notice of the time and place of a meeting of members shall be sent not less than 21 days and not more than 50 days before the date of the meeting:

a) to each member entitled to vote at the meeting (according to the records of the Corporation at the close of business on the day preceding the giving of the notice);

b) to each director; and

c) to the auditor of the Corporation.

Notice of a meeting of members at which special business is to be transacted shall state:

a) the nature of that business in sufficient detail to permit the member to form a reasoned judgment thereon; and

b) the text of any special resolution or by-law to be submitted to the meeting.

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**EACH AND EVERY OF THE FOREGOING RESOLUTIONS** is hereby approved at a meeting of the **members** of the Corporation held on September 26, 2018 as evidenced by signatures of the president and secretary hereto.

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Todd Ladner, President

---

James Parsons, Secretary

**EACH AND EVERY OF THE FOREGOING RESOLUTIONS** is hereby approved by the **directors** of the Corporation at a meeting held on August 28, 2018, as evidenced by the signatures of the president and secretary hereto.

---

Todd Ladner, President

---

James Parsons, Secretary

## Financial Summary 2017/18

Looking at the statement of operations, we had an excess of revenue over expenses of \$41,000 in fiscal 2018 compared to \$50,000 in 2017. Our revenue for 2018 was flat but reflected lower registration fees in the SHL hockey program due to lower enrollment, and lower retail operations offset by higher ice and hall rentals. Expenses were \$11,000 higher in 2018 due mainly to building operations costs. These operations costs included repairs to the Ice Plant (+\$3,000), numerous plumbing repairs (+\$3,000), damage to gas lines from the April ice storm (+\$5,000), repairs to the divider wall in the Banquet Hall (+\$7,000), and a major repair to the Zamboni (+\$10,000), offset by some savings in Hydro and other smaller areas.

On the balance sheet, we have cash and investments of \$1.9 million at April 30, 2018 compared to \$1.8 million at the end of the prior year, and slightly better working capital in 2018. In 2018, we repaid another \$50,000 on our debt to the city and the principal balance on the debt is now \$550,000. In 2019, we will have paid off half the balance to the city. Our donor pledges receivable related to the facility development now stand at only \$30,000 and we expect to receive these on schedule over the next couple of years.

We have a strong working capital reserve and capital reserve and we have maintained our strong financial condition through 2018. Looking ahead to 2019, we had a very generous donation of \$25,000 bequeathed to us which provides us with a comfortable margin for any unanticipated budget issues so we forecast that 2019 will also be a positive year.



P.O. Box 632 Streetsville, ON L5M 2C2

***General Manager's AGM Report***

Wednesday Sept. 26, 2018

7:00pm

Facility and Operations

1. Although we did not complete any major planned capital projects in the 17/18 year, we did complete numerous unplanned repairs over the past year. A major re-build of the Zamboni engine (\$10,000), damage to gas lines from the April ice storm (\$5,000) were both unexpected surprises that came in the last month of the year, and repairs to the Hall divider wall and various plumbing and HVAC issues added to these pressures. The building is now 10 years out from the renovation and repair pressures are increasing as the building ages.

Our Hydro bills moderated this year due to the initiatives of the Ontario government which helped to offset many of the unexpected expenses. If you take a stroll around the facility now you will notice some active projects with new lobby furniture, arena signage, digital media screens as we re-invest in the building.

2. We experienced a slowdown in reduced SHL participation and a small reduction in our Spring/Summer programs – we are actively taking measures to investigate these issues, and to allow the Vic to continue to prosper moving forward. The Winter Men's Draft League returned to the Vic last year after operating for a year in a City arena and has proven to be a big success. Additionally a new High Performance program delivered by The Canadian Way Hockey in cooperation with

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the Peel Board of Education allowed us to increase daytime ice sales helping offset some of the other losses, and this program has expanded again for the current year.

3. We continue to provide a work placement opportunity for area high school students through the Co-Operative Education Program with both the Peel Board and Dufferin Peel Catholic Board which has proven to be beneficial for both the facility and the students involved. The Vic benefits from having a staff member available during off-peak times to assist with cleaning, organization of the SHL and overall maintenance at no cost, while the students gain some valuable work experience and earn credits towards graduation. 2 of our most recent students have continued to work for us in a part-time capacity following completion of their work term.
4. A major accomplishment from the past few years to assist with the long-term sustainability of the facility has been strengthening our relationship with the City as a whole, and specifically with the Facility & Property Management unit and integrating the Vic into the life-cycle replacement program for major capital components. In 2017/18 the program functioned successfully with the replacement of the Banquet Hall roof, and next spring the full replacement of the ice-making refrigeration equipment is schedule to take place.
5. Thanks to our fantastic and dedicated staff who support our programs by ensuring the facility looks good and works as designed as much as possible and to the Board for your continued support and guidance.



*“Home of the Derbys”*

SHL REPORT

2017-18 Season

Presented at the

Vic Johnston C.C. Annual General Meeting

September 26<sup>th</sup>, 2018

Prepared by Neil Painchaud

VJCC Director Responsible for the S.H.L.

*House league hockey . . . where Kids, Fun and Safety come first!*

The SHL continues to provide the youth of our community with a “first class” hockey program dating back to 1946. The past season was not without issues’ most were minor in nature.

The biggest was the loss of the midget division. The SHL did have 33 kids registered but that was only good for 2 teams. The league may a request to the MHL to see if they would take the 2 Streetsville teams into their house league which they agreed to do. One team played in the white level and the other in the blue level.

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I am happy to announce that for the 2018-19 season the SHL has a full 4 team midget division. Thanks to the hard work of Rob Byce and Paul Oliveira who got the word out early and encourage the midget aged kids to sign up which they did.

The SHL also moved to modified ice for the Minor Novice age group (7 years old) one year ahead of hockey Canada's mandatory date to do so. The move was great for our players who were on the ice more, had more puck touches, more opportunity to make a pass, to take a pass and take a shot.

You could see that all kids improved over the course of the season.

A survey that was sent out to Minor Novice Players parents to get their feedback on the modified ice.

- 84% Liked the new ½ ice format
- 84% Said their daughter/son liked the new ½ ice format
- 96% Saw their child get more puck touches
- 92% Saw their child get more game ice time
- 76% liked the new smaller nets

The SHL will expand the modified ice program in the 2018-19 season to include the Novice aged players (8 years old) one year ahead of its mandatory implementation.

Season Ending Customer Satisfaction Survey was sent out and the resulting feedback was very positive.

- Family Friendly Environment 100%
- Enjoyed playing in the SHL 99%
- Recommended the SHL to a friend 99%
- Good Value for money 95%

- Coach Rating Very/Somewhat Satisfied 95%
- Description of the SHL (Fun, Safe Environment) 94%
- IP has good instruction for players 94%
- Have you seen your child improved as a result of the Skills Development (Yes) 93%
- Overall Experience in the league
- Outstanding/Above Average 90%
- What did you like best about the SHL
- One Arena, No travelling 80%
- One game a week, yearly set schedule 65%

So, with these numbers I believe we have been successful and have met our goal of “House League Hockey for the fun of it!”

But having said that we must continue to look forward to ensure that our league continues to receive these high ratings from our customers.

To that end the SHL in conjunction with the VJCC strategic plan set- up a new sub-committee to look at future planning for the house league.

The committee meet several times during the course of last season and came up with some great ideas, most have been implemented including:

1. More robust Social Media Presence. (Ongoing)
2. Developed a FAQ handout for people new to hockey. It answers many of the questions that they have around how to get their children registered to play and what is required. (Done)
3. An easier navigation of the current SHL web site. (Done)
4. Rebranding the SHL into Streetsville Hockey League “Home of the Derbys” (Done)

5. Standardizing Jersey logos so that every player in House League, Select or A is now wearing a large Derby logo on their game jerseys. (Done)
6. Having a Mascot made for the SHL/VJCC to be used not only in house but also during community events to raise awareness of the VJCC and its Minor Hockey League. (Done)

#### **THE 2017-18 SEASON STATS**

- Total Registration **439**
- Number of HL Teams **34**
- Number of Select Teams **5**
- Number of Derby Teams **3**
- Number of Referees **22**
- Number of Coaches/Volunteers **110**
- Number of weeks **24**
- Number of hours per week **24**
- Number of total hours of ice for the season **670**

I would like to thank SHL Committee:

Tony Karamais, Rob Byce, Bob Boyes, Mike Duggan, Chris Loreto, Stephane Angers, Anthony Faithfull, Greg Brent, Tim Holdaway, Carl Burigana, Paul Oliveira, Wendy Webster, Lawry Simon, Peter Balsdon along with our divisional convenors who ensure our programs are running smoothly.

John Culleton programs manager for his administrative work behind the scenes as well as his hands on for running the SHL tournaments and all those other duties that require his attention during the season.

In addition to the SHL Committee I would also like to thank the members of the Future Planning and Strategic sub-committee who do not sit on the SHL committee.

Gurvie Waraich, George Vrbos, Magda Bird, Steve Yarde, and Doug Patterson.

Special Thanks to Bob Boyce whose Skill development and goalie training programs: have resulted in a noticeable improvement in our players' skill levels.

A big thank you to our volunteer coaches who freely give their time week in and week out so that our players can have a fun and enjoyable experience.

Without these individuals there would not be a minor hockey program here at Vic Johnston.

## **OTHER EVENTS**

### **SHL TOURNAMENTS STATS**

- Christmas Classic – Cancelled due to low team applications
- Spring Classic – 20 teams

## **THE STEELHEADS FUNDRAISER**

Tickets – 920 sold

### **BREAKFAST WITH SANTA:**

- Very well attended and once again this free event collected food donations for the Eden food bank. Two full food bins were collected.
- Santa stopped by again and took toy requests.
- Thanks to John Culleton and the many volunteers who took part to make this event a success

## **DAY OF CHAMPS**

Capped off another great season and the day feature some close and exciting championship games. Pizza and water, trophies and thank you gifts to the volunteer coaches were handed out at the banquet.

Thanks to Rob Byce, Tony Karamais, Mike Duggan and John Culleton for their help in making this day a success.

**WEB SITE STATS:** [streetsvillehockey.com](http://streetsvillehockey.com)

Type	2013-14	2014-15	2015-16	2016-17	2017-18
Users	14,841	17,974	19,682	17,171	17,163
Pages Viewed	160,231	190,296	236,578	201,394	150,128
Sessions	33,052	41,171	53,128	51,717	44,380
Returning visitors	57.3%	57.9%	63.9%	67.9%	22.4%
New visitors	42.7%	42.1%	36.1%	32.1%	77.6%

**Highest**                      **Lowest**

**SHL SOCIAL MEDIA PLATFORMS**

**Facebook:**

**Group:** Streetsville Hockey League                      263 members

**Page:** Streetsville Hockey                                      55 friends

**Instagram:**            @gthlshl                                      85 followers

**Twitter:**                @GTHL\_SHL                                      168 followers

**CHALLENGES FACING THE SHL MOVING FORWARD**

The SHL like all other minor hockey organizations is facing issues as we move forward.

The biggest one is the lack of new enrollments and the dropping out of current players. This is two of the issues the Future Planning and Strategic committee will be looking into this season.

## CONCLUSION

In conclusion, I would like to thank the following people who also contribute to the success of the SHL.

Jeff Duggan and the Vic Johnston Staff who make the rink most welcoming and friendly place week in and week out.

Todd Ladner and the Vic Johnston Board of Directors for their continuing support of their minor hockey program.

That concludes my report.

Thank you and are there any Questions?





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***Programs Manager's AGM Report***

Wednesday Sept. 26, 2018

7:00pm

VJCC Programs

1. This past fiscal we successfully ran the following programs, Spring 4 on 4 hockey, Summer Men's League, Men's Draft League, Pre-Season Training Camp, Learn to skate and Stick and Puck. Our 4 on 4 hockey program saw growth at the younger age groups, while our learn to skate & stick and puck program saw a slight decline in the fall but picked back up in the Winter.
2. This past year, we once again ran our men's draft league. After re-jigging our ice schedule, we were able to have our draft league back at the Vic. The program sold out and I truly believe it did so because our location and this facility.
3. We expect to have continued growth in all of our programs, but we will always be limited by the amount of ice we have available.
4. With our ice plant about to experience a major reno in April 2019, we are working with the City of Mississauga to find ice elsewhere so we can run our spring/summer programs.

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Financial statements

The Vic Johnston Community Centre Inc.

April 30, 2018

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# Independent auditor's report

Grant Thornton LLP  
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To the Members of **Vic Johnston Community Centre Inc.**

We have audited the accompanying financial statements of **Vic Johnston Community Centre Inc.** which comprise the statement of financial position as at April 30, 2018, 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.

## **Auditor's 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 from 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 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 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, the financial statements present fairly, in all material respects, the financial position of **Vic Johnston Community Centre Inc.** as at April 30, 2018, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Grant Thornton LLP*

Mississauga, Canada  
August 28, 2018

Chartered Professional Accountants  
Licensed Public Accountants

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## The Vic Johnston Community Centre Inc.

### Statement of operations

Year ended April 30	2018	2017
Revenue		
Program registration fees	\$ 488,288	\$ 516,524
Ice/arena rentals	478,243	422,872
Hall rentals	127,355	119,746
Retail operations (snack bar and pro shop)	95,476	112,335
Fundraising/events	75,845	91,359
Advertising and sponsorship	51,411	48,769
Interest	33,861	36,867
	<u>1,350,479</u>	<u>1,348,472</u>
Expenses		
Wages and benefits	520,542	521,464
Building operations	324,212	302,616
Administrative	260,318	241,953
Retail operations (snack bar and pro shop)	67,514	74,197
Program expenses	62,413	66,148
Depreciation	51,842	56,619
Fundraising/events	22,610	35,482
	<u>1,309,451</u>	<u>1,298,479</u>
Excess of revenue over expenses	\$ <u>41,028</u>	\$ <u>49,993</u>

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See accompanying notes to the financial statements.

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**The Vic Johnston Community Centre Inc.**  
**Statement of changes in net assets**

Year ended April 30

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	Invested in Capital Assets	Working Capital Reserve	Capital Reserve	<b>2018 Total</b>	2017 Total
Balance, beginning of year	\$ 350,517	\$ 490,935	\$ 800,000	<b>\$ 1,641,452</b>	\$ 1,591,459
(Deficiency) excess of revenue over expenses	(79,270)	120,298	-	<b>41,028</b>	49,993
Deferred capital contribution	(11,744)	11,744	-	-	-
Long-term debt	25,530	(25,530)	-	-	-
Investment in property and equipment	<u>11,748</u>	<u>(11,748)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance, end of year	<b><u>\$ 296,781</u></b>	<b><u>\$ 585,699</u></b>	<b><u>\$ 800,000</u></b>	<b><u>\$ 1,682,480</u></b>	<b><u>\$ 1,641,452</u></b>

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See accompanying notes to the financial statements.

# The Vic Johnston Community Centre Inc.

## Statement of financial position

Year ended April 30

2018

2017

### Assets

#### Current

Cash and cash equivalents	\$ 1,038,542	\$ 490,551
Short-term investments	909,006	1,342,199
Accounts receivable (Note 3)	59,281	93,925
Prepaid expenses	25,413	50,407
Inventories	<u>14,220</u>	<u>18,098</u>
	<b>2,046,462</b>	<b>1,995,180</b>

Long-term receivable (Note 3)	20,000	41,723
Property and equipment (Note 4)	<u>1,094,665</u>	<u>1,162,187</u>
	<b>\$ 3,161,127</b>	<b>\$ 3,199,090</b>

### Liabilities

#### Current

Accounts payable and accrued liabilities (Note 5)	\$ 154,415	\$ 156,091
Deferred revenue	254,179	255,569
Current portion of long-term debt (Note 7)	<u>26,998</u>	<u>25,530</u>
	<b>435,592</b>	<b>437,190</b>

Deferred capital contribution (Note 6)	557,591	607,986
Long-term debt (Note 7)	<u>373,043</u>	<u>400,041</u>
	<b>1,366,226</b>	<b>1,445,217</b>

### Fund balances

Subscriptions	112,421	112,421
Invested in capital assets	296,781	350,517
Working capital reserve	585,699	490,935
Capital reserve	<u>800,000</u>	<u>800,000</u>
	<b>1,794,901</b>	<b>1,753,873</b>
	<b>\$ 3,161,127</b>	<b>\$ 3,199,090</b>

On behalf of the Board

\_\_\_\_\_ Director \_\_\_\_\_ Director

See accompanying notes to the financial statements.

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**The Vic Johnston Community Centre Inc.**  
**Statement of cash flows**

Year ended April 30

**2018**

**2017**

Cash provided by (used in)

**Operating**

Excess of revenue over expenses	\$ 41,028	\$ 49,993
Depreciation of property and equipment	<u>79,270</u>	<u>85,374</u>
	<b>120,298</b>	135,367

Change in non-cash operating working capital

Accounts receivable	34,644	(35,571)
Inventories	3,878	(346)
Prepaid expenses	24,994	(22,253)
Accounts payable and accrued liabilities	(1,676)	135
Deferred revenue	<u>(1,390)</u>	<u>50,890</u>
	<b>180,748</b>	128,222

**Financing**

Decrease in long-term debt	(25,530)	(24,142)
Decrease in long-term receivable	21,723	23,000
Decrease in deferred capital contribution	<u>(50,395)</u>	<u>(53,200)</u>
	<b>(54,202)</b>	(54,342)

**Investing**

Proceeds from short-term investments	433,193	198,713
Purchase of short-term investments	-	(478,051)
Purchase of property and equipment	<u>(11,748)</u>	<u>(3,495)</u>
	<b>421,445</b>	(282,833)

Net increase (decrease) in cash and cash equivalents **547,991** (208,953)

Cash and cash equivalents, beginning of year 490,551 699,504

Cash and cash equivalents, end of year **\$ 1,038,542** \$ 490,551

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**Supplemental cash flow information:**

Non-cash transactions:

Deferred interest benefit on note payable (Note 7)	<b>\$ (23,988)</b>	\$ (25,402)
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See accompanying notes to the financial statements.

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# The Vic Johnston Community Centre Inc.

## Notes to the financial statements

April 30, 2018

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### 1. Nature of operations

The Vic Johnston Community Centre Inc. (the Centre) manages the arena, community centre and the Streetsville Hockey League (SHL) for the residents of the Mississauga community. The Centre was incorporated in Ontario on July 14, 1961 with share capital under the Ontario Corporations Act. The subscriptions on the balance sheet represent the original capital of the Centre. The Centre is a non-profit organization exempt from income taxes under Section 149(1)(l) of the Income Tax Act.

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### 2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies:

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short-term deposits with original maturities of twelve months or less.

#### Short-term investments

Short-term investments include guaranteed investment certificates with original maturities of greater than twelve months. The short-term investments balance includes funds held by the City of Mississauga which bear interest at the rate earned by City of Mississauga pooled investments. The interest earned on funds held by the City of Mississauga is paid annually.

#### Property and equipment

Rates and bases of amortization applied to recognize the cost of property and equipment over their estimated lives are as follows:

Building	5%, declining balance
Ice plant	10 years, straight line
Furniture and equipment	20%, declining balance
Lighting	10 years, straight line
Computer equipment	30%, declining balance
Software	1 year, straight line
Automotive equipment	30%, declining balance

#### Inventories

Inventories consist of pro shop merchandise and snack bar supplies. Inventories include all costs of purchasing and bringing inventories to the present location. Inventories are measured at the lower of cost and net realizable value.

#### Contributed services

The value of services contributed by volunteers is not reflected in these financial statements, as they are not clearly measurable.

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## The Vic Johnston Community Centre Inc.

### Notes to the financial statements

April 30, 2018

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#### 2. Summary of significant accounting policies (continued)

##### Revenue recognition

The Centre follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions received towards the purchase of significant property and equipment are deferred and recognized in income on the same basis as the related property and equipment are depreciated (contribution income is netted against depreciation).

Registration fees are recognized as revenue during the hockey season to which they apply. Registration fees received in advance are recorded as deferred revenue.

Other types of revenue are recorded in the period in which they are earned and measurement and collectability is reasonably assured.

##### Use of estimates

In preparing the Centre's financial statements, management is required to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Items subject to significant management estimates include the allowance for doubtful accounts, the obsolete inventory provision, and the determination of asset useful lives. Actual results could differ from these estimates.

##### Financial instruments

The Centre considers any contract creating a financial asset or liability as a financial instrument, except in certain limited circumstances. The Centre accounts for the following as financial instruments:

- cash and cash equivalents
- short-term investments
- accounts receivable
- long-term receivable
- accounts payable
- long-term debt

A financial asset or liability is recognized when the Centre becomes party to contractual provisions of the instrument.

The Centre initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the Centre is in the capacity of management in which case they are accounted for in accordance with financial instruments.

The Centre subsequently measures all of its financial assets and financial liabilities at amortized cost using the effective interest method.

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## The Vic Johnston Community Centre Inc.

### Notes to the financial statements

April 30, 2018

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#### 2. Summary of significant accounting policies (continued)

##### Financial instruments (continued)

The Centre removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Financial assets are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income (excess of revenues over expenses).

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3. Accounts receivable	<u>2018</u>	<u>2017</u>
Trade and other receivables, net	\$ 49,281	\$ 73,925
Pledged donations receivable	<u>30,000</u>	<u>61,723</u>
	<u>79,281</u>	135,648
Less: current portion	<u>59,281</u>	<u>93,925</u>
Long-term accounts receivable	<u>\$ 20,000</u>	<u>\$ 41,723</u>

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4. Property and equipment			<u>2018</u>	<u>2017</u>
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Building	\$ 2,431,704	\$ 1,435,714	\$ 995,990	\$ 1,048,411
Ice plant	476,230	414,619	61,611	80,450
Furniture and equipment	496,947	464,225	37,722	31,624
Lighting	3,500	350	3,150	-
Computer equipment	24,245	23,053	1,192	1,702
Software	11,753	11,753	-	-
Automotive equipment	<u>7,134</u>	<u>7,134</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,451,513</u>	<u>\$ 2,356,848</u>	<u>\$ 1,094,665</u>	<u>\$ 1,162,187</u>

The land is leased from the City of Mississauga at a cost of \$1 per year. The lease term expires on April 30, 2033.

A redevelopment project took place in 2008. The City of Mississauga provided approximately \$8,000,000 towards the construction costs involved in the Centre's redevelopment project, which have not been included in these financial statements. The Centre's contribution to the redevelopment project is included in these financial statements. The Centre funded the pre-construction design cost of \$87,340 and construction costs of approximately \$1,000,000.

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## The Vic Johnston Community Centre Inc.

### Notes to the financial statements

April 30, 2018

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#### 5. Government remittances

Government remittances payable, other than income taxes, included in payables and accruals total \$8,024 (2017 - \$7,257).

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#### 6. Deferred capital contributions

	Balance April 30, <u>2017</u>	<u>Recognized</u>	<b>Balance April 30, 2018</b>
Donations for redevelopment project	\$ 441,602	\$ 26,407	\$ <b>415,195</b>
Interest benefit on long-term debt	<u>166,384</u>	<u>23,988</u>	<u><b>142,396</b></u>
Deferred capital contributions	\$ <u>607,986</u>	\$ <u>50,395</u>	\$ <u><b>557,591</b></u>

During 2007 and 2008, the Centre undertook a successful capital fundraising campaign and also pledged \$300,000 of its existing surplus towards the redevelopment project bringing the total commitment to the redevelopment project to be in excess of \$1,000,000.

The Centre has been receiving donations from the community since the 2008 fiscal year for the renovation project as described above. These funds are being used to pay the long-term debt. Revenue from the donations is deferred and amortized into income on the same basis as the related building asset is depreciated. During the year, revenue of \$26,407 (2017 - \$27,798) was recorded as a reduction of depreciation expense.

The interest benefit portion of the long-term debt, initially established as the difference between the face value and present value of the long-term debt, is being recognized over the life of the note and offsets the accreted interest expense on the note. As at April 30, 2018, there was accreted interest payable of \$7,562 (2017 - \$8,045). During the year, revenue of \$23,988 (2017 - \$25,402) was recorded as a reduction in long-term debt interest expense.

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7. Long-term debt	<u>2018</u>	<u>2017</u>
Note payable, non-interest bearing, repayable in annual instalments of \$50,000, maturing December 31, 2029	\$ <b>400,041</b>	\$ 425,571
Less: current portion	<u><b>26,998</b></u>	<u>25,530</u>
Long-term debt	\$ <u><b>373,043</b></u>	\$ <u>400,041</u>

Principal payments are due as follows:

2019	\$ 28,550
2020	30,192
2021	31,928
2022	33,763
2023	35,705
2024 and thereafter	212,905

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## The Vic Johnston Community Centre Inc.

### Notes to the financial statements

April 30, 2018

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#### 7. Long-term debt (continued)

The note payable to the City of Mississauga in the amount of \$373,043 is the present value of the face amount of the \$1,000,000 note, discounted at 5.75%, being the interest rate that would be applicable to an interest bearing debt with similar terms at the time the note was issued, net of repayments made to date. The non-discounted balance outstanding to be repaid was \$550,000 as at April 30, 2018.

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#### 8. Related party transactions

The Centre provides services to, and receives services from, organizations associated with board members. These services are provided or received at rates that are less than or equal to fair market value. Authorization of the transactions is conducted by board members who are independent of any members associated with the transactions.

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#### 9. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

##### **Credit risk**

The Centre is subject to credit risk through receivables. Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Centre's management does not expect any financial loss on the April 30, 2018 receivable balance.

##### **Liquidity risk**

Liquidity risk is the risk that the Centre may encounter difficulty in meeting its obligations associated with its financial liabilities as they become due. It is management's opinion that the Centre is not exposed to significant liquidity risks arising from its financial instruments.

##### **Market risk**

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk. The Centre is mainly exposed to interest rate risk.

##### **Interest rate risk**

Exposure to interest rate risk arises on financial assets and financial liabilities recognized at the reporting date, whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. As at April 30, 2018, there was no significant difference between the carrying values of these amounts and their estimated fair values due to their short-term nature.