



INFORMATION BULLETIN 20-06

November 9, 2020

2020 Annual General Meeting – Final Update

The 2020 Hockey Alberta Annual General Meeting (AGM) is being held on Saturday, November 21. The meeting will be held virtually, using Zoom, starting at 1:00 PM (MST). The full agenda for the AGM is attached to this Bulletin.

Each Member Minor Hockey Association and Club Team is encouraged to attend the AGM. As well, Accredited Schools, Recreational Hockey programs, Sledge Hockey programs and sanctioned leagues are encouraged to have representatives attend and participate in discussions with the membership about the future of the game.

The Annual Meeting of Hockey Alberta is held within six (6) months of the conclusion of Hockey Alberta's fiscal year (July 31). In addition to any other business that may be transacted, the following business shall be conducted this year:

- The election of two Director at Large positions, each for a term of three years (please refer to the Nomination Committee Final Report, below, for the Committee's recommended list of candidates);
- The presentation of the audited financial statements and report of the auditor (attached);
- The appointment of the auditor for the ensuing fiscal year; and
- The report of the Directors, if any.

Additionally, the 2020 AGM will include the final recommendations and resulting Notices of Motions from the Board's *Ad Hoc* Committee, tasked to review Hockey Alberta's definition of 'Membership'. The *Ad Hoc* Committee's report, and the five Notices of Motion can be viewed on the [2020 AGM webpage](#). Notices of Motion are attached to this Bulletin.

FINANCIAL OVERVIEW

Hockey Alberta is committed to providing its Members with accurate and current information for review prior to the Annual General Meeting. To this end, attached to this Bulletin is a summary of Hockey Alberta's annual audited financial statements. These documents will be reviewed, and any questions answered as part of the annual general meeting.

VOTING

Please note that any overdue accounts must be paid in full for Members to be eligible to vote at the Annual General Meeting. Please refer to Article 4, 4.6 (b) of the Hockey Alberta Bylaws for information about voting privileges/procedures.

For the purposes of this online meeting, voting will be conducted using the Sport Law Strategy Group's Simply Voting platform. Only registered Voting Members who complete and submit the [online AGM Registration](#) will be included in the voting list and entitled to vote. Please ensure your MHA or Club Team President/ General Manager has completed the registration process, identifying your voting delegate. **The deadline for a Member to register its voting delegate is Sunday, November 15 at 11:59 pm (MT).**

Attendance and Voting Instructions will be sent by Hockey Alberta to properly registered voting delegates by Wednesday, November 18. If a voting delegate has not received this email from Hockey Alberta by the morning of Thursday, November 19, please contact Hockey Alberta's Michelle Skilnick by email (mskilnick@hockeyalberta.ca) so the issue can be resolved.



INFORMATION BULLETIN 20-06

November 9, 2020

During the AGM, each motion, and the voting options, will be shared via an email to all voting members. Members will be afforded several minutes to vote on the motion and the voting scrutineer will monitor the incoming votes to ensure that all votes are collected. At the conclusion of a reasonable time period or confirmation of all votes by the voting scrutineer, the voting poll will close.

NOMINATION COMMITTEE FINAL REPORT

Hockey Alberta's Board of Director positions are elected by the members of Hockey Alberta at the AGM. Two Director at Large positions are up for election at this year's AGM and each successful candidate will serve a term of three (3) years. Per Hockey Alberta Bylaw 5.2, the final date for nominations to be accepted for Board of Directors elections was November 7, 2020 and therefore the nomination process is now closed.

Per the Hockey Alberta Bylaws, the following recommended candidates will be presented for election to the Board of Directors at the 2020 Hockey Alberta AGM on Saturday, November 21:

<i>Nominee for Director at Large</i>	<i>Hometown</i>
Al-Amin Vira	Heritage Pointe
<i>Nominee for Director at Large</i>	<i>Hometown</i>
Fran Zinger	Sherwood Park

A credentials summary and short video of each candidate can be accessed at the following link on the Hockey Alberta website:

[2020 Board of Directors Candidates >](#)

Full details about the 2020 Annual General Meeting can be found online at the [2020 AGM page on the Hockey Alberta website](#).

(<https://www.hockeyalberta.ca/members/annual-general-meeting/2020-agm/>)

SPECIAL MEETING OF THE MEMBERS

NOVEMBER 21, 2020



This Special Meeting will be separated into two sections, the first will be the formal portion of Hockey Alberta's Annual Meeting. This will be followed by a CEO/ Management Update that includes an overview of the 2019/20 year as well as the vision for the future of Hockey Alberta and an update from the Hockey Alberta Foundation.

– SCHEDULE OF EVENTS –

- ✓ Opening Remarks
 - Welcome
 - Memorial Tribute
 - Introductions of Directors and Life Members
 - Life Member Announcement

- ✓ Annual Meeting

- ✓ CEO/ Management Update

– ANNUAL MEETING AGENDA – **As per Article 4.**

- 1.0 Call to Order
- 2.0 Roll Call of Voting Delegates
- 3.0 Presentation of 2019 AGM Minutes
- 4.0 Reporting of Audited Financial Statements
- 5.0 Appointment of Auditor
- 6.0 Notices of Motion
 - a) N.O.M. #1 Article 1 1.7 (h), (z) "Age Divisions"
 - b) N.O.M. #2 Article 2 2.1 (a) "Regular Membership"
 - c) N.O.M. #3 Article 4 4.6 (a), (b) "Right to Vote at Member's Meetings"
 - d) N.O.M. #4 Article 4 4.1, 4.3, 4.5, 4.7 "Meetings, Quorum and Voting"
 - e) N.O.M. #5 Article 5 5.15 (b) "Remuneration"
- 7.0 Elections
- 8.0 Adjournment

– CEO/ MANAGEMENT UPDATE –

- 1.0 2019 Report to Membership & Future Direction
- 2.0 Hockey Alberta Foundation
- 3.0 CEO Closing Remarks



NOTICE OF MOTION

NOTICE OF MOTION #: 1

AMENDMENT TO BYLAWS

BYLAW #: 1.7

PAGE #: 7, 8

PARA. #: (h), (z)

SUBMITTED BY: Board of Directors

AUTHORIZED SIGNATURE:

CURRENT WORDING (if applicable):

- (h) "Division" or "Divisions" and any reference to "Junior", "Senior" or "Female" in connection therewith shall have the meaning given by Hockey Canada from time to time;
- (z) "Minor Hockey Association" means an association, registered as a body corporate in the Province of Alberta which has adopted bylaws and regulations that are consistent with the Bylaws and Regulations of Hockey Alberta and are approved by the Board and operates a program in Minor Hockey with one or more Hockey Teams in the following Divisions:
 - (i) Initiation;
 - (ii) Novice;
 - (iii) Atom;
 - (iv) Peewee;
 - (v) Bantam;
 - (vi) Midget;

PROPOSED WORDING:

- (h) "Division" or "Divisions" and any reference **to them shall have the meaning given by Hockey Canada from time to time;**
- (z) "Minor Hockey Association" means an association, registered as a body corporate in the Province of Alberta which has adopted bylaws and regulations that are consistent with the Bylaws and Regulations of Hockey Alberta and are approved by the Board and operates a program in Minor Hockey **with one or more Hockey Teams.**

RATIONALE FOR CHANGE:

Hockey Canada has defined 'Division' and as a member of Hockey Canada we should not be altering that definition in any way. This amendment ensures that our interpretation is always aligned with Hockey Canada's definition.

The names of the divisions of hockey are set by Hockey Canada and are subject to change based on Hockey Canada decisions. The HA Bylaws should not specifically identify something that is out of our direct control.



NOTICE OF MOTION

NOTICE OF MOTION #: 2

AMENDMENT TO BYLAWS

BYLAW #: 2.1

PAGE #: 9

PARA. #: (a)

SUBMITTED BY: Board of Directors (Ad-hoc Membership Committee)

AUTHORIZED SIGNATURE:

CURRENT WORDING (if applicable):

2.1 Regular Membership

- (a) Subject to the conditions precedent set out herein and compliance with these Bylaws and the Rules and Regulations, regular membership in Hockey Alberta is open to the following:
- (i) an Amateur Hockey Team of Junior, Senior or Female Division that is not within or a part of a Local Minor Hockey Association (hereinafter referred to as the "Member Team") that satisfies the requirements of the Board from time to time for regular membership and whose chief place of operations is located in Alberta; and
 - (ii) any Minor Hockey Association whose chief place of operations is located in Alberta, provided that Hockey Alberta will only recognize one Minor Hockey Association for each city, town, village or hamlet.

PROPOSED WORDING:

2.1 Regular Membership

- (a) Subject to the conditions precedent set out herein and compliance with these Bylaws and the Rules and Regulations, regular membership in Hockey Alberta is open to the following:
- (i) an Amateur Hockey **League** of the Junior, Senior, **College or University Division**, that is not within or a part of a Minor Hockey Association, that satisfies the requirements of the Board from time to time for regular membership and is **located in Alberta and registers players with Hockey Alberta;**
 - (ii) a Minor Hockey Association **that satisfies the requirements of the Board from time to time for regular membership and is located in Alberta and registers players with Hockey Alberta,** provided that Hockey Alberta will only recognize one Minor Hockey Association for each city, town, village or hamlet;



NOTICE OF MOTION

- (iii) an Accredited School program, that is not within or a part of a Minor Hockey Association, that satisfies the requirements of the Board from time to time for regular membership and is located and registers players with Hockey Alberta;**
- (iv) a Provincial or Regional organization that operates an amateur hockey program for Adapted Hockey or Recreational Hockey, that is not within or a part of a Minor Hockey Association, that satisfies the requirements of the Board from time to time for regular membership and is located and registers players with Hockey Alberta.**

RATIONALE FOR CHANGE:

The Board activated an Ad-Hoc Committee to review the current definition of membership, best practices amongst other organization and determine potential changes to the Hockey Alberta Bylaws that would recognize the full registration base of Hockey Alberta and make the organization more inclusive.

These proposed changes will ensure that all types of programs that are currently registered with Hockey Alberta and operating amateur hockey will have the opportunity to apply for full membership. Currently there are only two categories of membership and five or more different types of programs that operate hockey registered with Hockey Alberta.



NOTICE OF MOTION

NOTICE OF MOTION #: 3

AMENDMENT TO BYLAWS

BYLAW #: 4.

PAGE #: 13

PARA. #: 4.6(a), 4.6(b)

SUBMITTED BY: Board of Directors (Ad-Hoc Membership Committee)

AUTHORIZED SIGNATURE:

CURRENT WORDING (if applicable):

4.6 Right to Vote at Member's Meetings

- (a) Subject to subsection 4.6(b), at each General Meeting or Special Meeting, each Member Team shall have one vote and each Local Minor Hockey Association shall have one vote for each Hockey Team registered with Hockey Alberta in the Midget Division, to a maximum of twenty-five (25) votes; provided that, if a Local Minor Hockey Association has not registered a Hockey Team in the Midget Division, but has registered with Hockey Alberta a Hockey Team in any one (1) of the Initiation, Novice, Atom, Peewee and Bantam Divisions, that Local Minor Hockey Association shall have one (1) vote;
- (b) In order for a Member to qualify for voting privileges at a General Meeting or Special Meeting, the Member must:
 - (i) have had a Hockey Team(s) registered with Hockey Alberta in the year immediately preceding the said meeting which were involved in active competition;
 - (ii) pay the required annual dues payable for the forthcoming year if the meeting is an Annual Meeting;
 - (iii) have appointed a Member's Representative and established the authority of the Member's Representative to represent the Member to the satisfaction of the Board; and
 - (iv) be otherwise in good standing with the Board.

PROPOSED WORDING:

4.6 Right to Vote at Member's Meetings

- (a) Subject to subsection 4.6(b), at each General Meeting or Special Meeting, **any Regular Member in good standing shall be entitled to:**
 - (i) **one vote for the first one hundred players, or part thereof, registered in the previous season;**
 - (ii) **one vote for each additional one hundred players, or part thereof, registered in the previous season;**
 - (iii) **have all its votes cast whether it be represented by one or all of its delegates, or by a proxy holder in a manner and to the extent and with the authority conferred by the proxy.**



NOTICE OF MOTION

- (b) In order for a Member to qualify for voting privileges at a General Meeting or Special Meeting, the Member must:
- (i) **have had Players registered** with Hockey Alberta, in the year immediately preceding the said meeting, which were involved in active competition;
 - (ii) pay the required annual dues payable for the forthcoming year if the meeting is an Annual Meeting;
 - (iii) have appointed a Member's Representative and established the authority of the Member's Representative to represent the Member to the satisfaction of the Board; and
 - (iv) be otherwise in good standing with the Board.

RATIONALE FOR CHANGE:

A change in the membership structure of HA would provide an option for different types of members to be recognized by Hockey Alberta. The current voting structure assigns votes based on the number of Teams (Midget Teams in Minor Hockey and one vote for each Junior and Senior Hockey Team) and some groups that would be recognized within the proposed Membership structure do not identify Teams in the same manner.

This change would ensure all members were treated the same by not only giving them all the opportunity to vote, but also determining the number of votes based on the number of players registered within an organization instead of the number of Teams.



NOTICE OF MOTION

NOTICE OF MOTION #: 4

AMENDMENT TO BYLAWS

BYLAW #: 4.

PAGE #: 12, 13

PARA. #: 4.1, 4.3, 4.5, 4.7

SUBMITTED BY: Board of Directors

AUTHORIZED SIGNATURE:

CURRENT WORDING (if applicable):

4.1 Annual Meeting

The Annual Meeting shall be held within six (6) months after the conclusion of the fiscal year end (hereinafter referred to as the "Annual Meeting").

4.3 Special Meetings and Semi-Annual Meeting

Other meetings of the Members (hereinafter called "Special Meetings") shall be convened for any time and place in Alberta by a majority vote of the Directors. The Board, upon receipt of a written request for a Special Meeting signed by twenty (20) Members in good standing, shall convene a Special Meeting within sixty (60) days of the receipt of the request. A Special Meeting may be called for any purpose for which a meeting of the Members may be called for under these Bylaws. A General Meeting referred to as a Semi-Annual Meeting will be held once every year between the beginning of November and the end of January.

4.5 Quorum

Twenty (20) Members in good standing and present in person or by proxy shall form a quorum at any General Meeting or Special Meeting. In the event that twenty (20) Members are not present within one (1) hour of the hour given in the Notice of the said meeting, the chairman of the meeting shall adjourn the meeting to a date and time not less than twenty-one (21) days from the date of the original meeting. The Chief Executive Officer shall give seven (7) days written notice to the auditor and each Director, Member, Associate Member and Life Member of the date and place to which the meeting has been adjourned. The quorum for the adjourned meeting shall be those Members in attendance.

4.7 Voting

At all General Meetings and Special Meetings, every question shall be decided by a majority of the votes of the Member's Representatives present in person unless otherwise required by the Bylaws or by law. Every question shall be decided in the first instance by a show of hands (having regard to the right of multiple votes of the Local Minor Hockey Association) unless a poll is demanded by a Member's Representative. Unless a poll is demanded, a declaration by the chairman that a resolution has been carried or not carried and an entry to that effect in the minutes of the meeting shall be sufficient evidence of the fact without proof of the number or proportion of the votes accorded in favour of or against such resolution. The demand for a poll may be withdrawn, but if a poll is demanded and not withdrawn, the question shall be decided by a majority of votes cast by the Member's Representatives present in person, and such poll shall be taken in such manner as the chairman shall direct and the result of such poll shall be deemed the decision of the Members upon the matter in question.



NOTICE OF MOTION

4.1 Annual Meeting

The Annual Meeting shall be held **(in-person or remotely by the use of technology as approved by the Board)** within six (6) months after the conclusion of the fiscal year end (hereinafter referred to as the "Annual Meeting").

4.3 Special Meetings

Other meetings of the Members (hereinafter called "Special Meetings") shall be convened for any time and place in Alberta **(either in-person or remotely by the use of technology as approved by the Board)** by a majority vote of the Directors. The Board, upon receipt of a written request for a Special Meeting signed by twenty (20) Members in good standing, shall convene a Special Meeting within sixty (60) days of the receipt of the request. A Special Meeting may be called for any purpose for which a meeting of the Members may be called for under these Bylaws.

NEW Remote Participation / Meetings

- (a) **Any person entitled to attend a meeting of Members may participate in the meeting remotely by the use of technology as approved by the Board. A person so participating in a meeting is deemed to be present at the meeting.**
- (b) **The Board may determine that an entire meeting be held remotely by the use of technology that permit all participants to communicate adequately with each other during the meeting.**

4.5 Quorum

Twenty (20) Members in good standing **and deemed eligible to vote** shall form a quorum at any General Meeting or Special Meeting. In the event that twenty (20) Members are not **in attendance** within one (1) hour of the hour given in the Notice of the said meeting, the chairman of the meeting shall adjourn the meeting to a date and time not less than twenty-one (21) days from the date of the original meeting. The Chief Executive Officer shall give seven (7) days written notice to the auditor and each Director, Member, Associate Member and Life Member of the date and **time** to which the meeting has been adjourned. The quorum for the adjourned meeting shall be those Members in attendance.

4.7 Voting

At all General Meetings and Special Meetings, every question shall be decided by a majority of the votes of the Member's Representatives present **(in person or remotely by the use of technology as approved by the Board)** unless otherwise required by law. Unless a poll is demanded by a Member's representative or the meeting chairman, every question shall be decided in the first instance by a show of hands (having regard to the right of multiple votes of the Members) and a declaration by the meeting chairman that a resolution has been carried or not carried and an entry to that effect in the minutes of the meeting shall be sufficient evidence of the fact without proof of the number or proportion of the votes accorded in favour of or against such resolution. The demand for a poll may be withdrawn, but if a poll is demanded and not withdrawn, the question shall be decided by a majority of votes cast by the Member's Representatives present **(in person or remotely by the use of technology as approved by the Board)**, and such poll shall be taken in such manner as the chairman shall direct and the result of such poll shall be deemed the decision of the Members upon the matter in question.

RATIONALE FOR CHANGE:

The current Bylaws do not contain terminology that stipulates how the organization will operate online / virtual meetings. These changes will make it clear that when a Member's Meeting is called for, there are processes in place for the proper business of the meeting to be conducted whether the meeting is held in-person or via electronic means. Additionally, the previous amendment of the organization's fiscal year moved the Annual Meeting into the timeframe that is currently identified by Bylaw to be when a Semi-Annual meeting would take place. In recognition of this past change, the references to a Semi-Annual meeting should be removed.



NOTICE OF MOTION

NOTICE OF MOTION #: 5

AMENDMENT TO BYLAWS

BYLAW #: 5.

PAGE #: 17

PARA. #: 5.15

SUBMITTED BY: Board of Directors

AUTHORIZED SIGNATURE:

CURRENT WORDING (if applicable):

5.15 Remuneration

- (a) Directors shall be paid such sums in respect of their out-of-pocket expenses incurred in attending Board, Committee or Member meetings or otherwise in respect of the performance by them of their duties, as the Board may from time to time determine.

PROPOSED WORDING:

5.15 Remuneration

- (a) Directors shall be paid such sums in respect of their out-of-pocket expenses incurred in attending Board, Committee or Member meetings or otherwise in respect of the performance by them of their duties, as the Board may from time to time determine
- (b) **No member of the Board of Directors (Directors or Officers) shall receive any remuneration for his/ her services.**

RATIONALE FOR CHANGE:

New guidance from the Government of Alberta's Corporate Registries department has informed Hockey Alberta that to be compliant with the Societies Act, Bylaws must specifically state that Board Members do not receive honorariums. We do not provide honorariums and the current Bylaws do not make a statement one way or another so this change, required by Corporate Registries, will not impact how the organization operates and will simply ensure the Bylaws comply with government requirements.

**ALBERTA AMATEUR
HOCKEY ASSOCIATION
(Operating as Hockey Alberta)**



Annual Financial Statements
July 31, 2020



RSM Alberta LLP
546 Laura Ave
Red Deer County, AB T4E 0A5
T +1403 342 5541
F +1403 347 3766

INDEPENDENT AUDITOR'S REPORT

To the Members of Alberta Amateur Hockey Association

Opinion

We have audited the financial statements of Alberta Amateur Hockey Association (Operating as Hockey Alberta) (the "Association"), which comprise the statement of financial position as at July 31, 2020, and the statement of operations and changes in fund balances and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at July 31, 2020 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the 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.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

INDEPENDENT AUDITOR'S REPORT, continued

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Red Deer County, Alberta

November 3, 2020

RSM Alberta LLP

Chartered Professional Accountants

ALBERTA AMATEUR HOCKEY ASSOCIATION
(Operating as Hockey Alberta)
Contents
July 31, 2020

Financial Statements	Page
Statement of Financial Position	1
Statement of Operations and Changes in Fund Balances	2
Schedule of General Fund Operations	3
Statement of Cash Flows	4
Notes to the Financial Statements	5 - 16

ALBERTA AMATEUR HOCKEY ASSOCIATION

(Operating as Hockey Alberta)

Statement of Operations and Changes in Fund Balances

Year ended July 31, 2020

	General Fund	Strategic Priority Fund	Facility Fund	Technology Fund	Donation Fund	Alberta Elite Hockey League Fund	Alberta Female Hockey League Fund	Invested In Tangible & Intangible Capital Assets	2020	2019
Revenue										
General (page 3)	4,496,655	-	-	-	-	-	-	-	4,496,655	6,358,144
Canada Employment Wage Subsidy	500,176	-	-	-	-	-	-	-	500,176	-
Facility assessment levy	-	-	186,516	-	-	-	-	-	186,516	182,036
Donation on behalf of Alberta Hockey Foundation	-	-	-	-	155,000	-	-	-	155,000	185,000
Technology fee	-	-	-	93,258	-	-	-	-	93,258	91,018
Hockey Canada branch support	-	84,892	-	-	-	-	-	-	84,892	132,422
Alberta Elite Hockey League (Note 16)	-	-	-	-	-	82,902	-	-	82,902	-
CAHA Participants Legacy Trust Fund	-	55,462	-	-	-	-	-	-	55,462	91,652
Alberta Female Hockey League (Note 16)	-	-	-	-	-	-	51,600	-	51,600	46,800
	4,996,831	140,354	186,516	93,258	155,000	82,902	51,600	-	5,706,461	7,087,072
Expenses										
General (page 3)	4,688,456	-	-	-	-	-	-	-	4,688,456	6,798,324
Approved initiatives	-	57,778	-	-	97,835	-	-	-	155,613	177,092
Facility expense	-	-	155,048	-	-	-	-	-	155,048	153,762
Amortization	-	-	-	-	-	-	-	39,264	39,264	49,421
Alberta Female Hockey League	-	-	-	-	-	-	29,294	-	29,294	42,953
Technology expense	-	-	-	481	-	-	-	-	481	5,230
Red Deer College Facility	-	-	-	-	-	-	-	-	-	375,000
	4,688,456	57,778	155,048	481	97,835	-	29,294	39,264	5,068,156	7,601,782
Excess (deficiency) of revenue over expenses	308,375	82,576	31,468	92,777	57,165	82,902	22,306	(39,264)	638,305	(514,710)
Capital purchases	-	-	-	(13,050)	-	-	-	13,050	-	-
	308,375	82,576	31,468	79,727	57,165	82,902	22,306	(26,214)	638,305	(514,710)
Fund balances, beginning of year	\$ 293,885	\$ 914,811	\$ 77,602	\$ 369,712	\$ 213,195	\$ -	\$ 3,847	\$ 169,397	\$ 2,042,449	\$ 2,557,159
Fund balances, end of year	\$ 602,260	\$ 997,387	\$ 109,070	\$ 449,439	\$ 270,360	\$ 82,902	\$ 26,153	\$ 143,183	\$ 2,680,754	\$ 2,042,449

See accompanying notes

ALBERTA AMATEUR HOCKEY ASSOCIATION

(Operating as Hockey Alberta)

Schedule of General Fund Operations

Year ended July 31, 2020

	2020 Budget (unaudited)	2020 Actual	2019 Actual
Revenue			
Participant fees	\$ 2,016,372	\$ 1,980,505	\$ 1,942,614
Programming:			
Coach education and Development	798,009	621,154	889,001
Officiating	533,330	465,008	523,589
Team Alberta	926,150	360,085	939,588
Regional centre	509,833	294,381	450,181
Game operations	216,625	163,231	228,359
Alberta Government - Sport, Physical Activity, and Recreation (note 10)	259,500	246,140	487,766
Administration	227,000	164,632	468,867
Sponsorship	300,000	138,820	266,367
Other grants	51,000	60,200	108,500
Meetings, programs, events and committees	90,000	2,499	53,312
	<u>5,927,819</u>	<u>4,496,655</u>	<u>6,358,144</u>
Expenses			
Salaries and related benefits	2,305,000	2,269,879	2,315,382
Non-program related (note 12)	970,198	808,887	1,234,892
Officiating	527,280	403,368	500,489
Team Alberta programming	831,850	399,472	943,084
Coach education and development	584,665	370,348	619,763
Regional centre programming	409,569	227,688	324,359
Meetings, programs, events and committees	365,100	166,030	298,202
Game operations	89,250	38,805	70,579
Other	-	3,979	38,228
	<u>6,082,912</u>	<u>4,688,456</u>	<u>6,344,978</u>
Excess (deficiency) of revenue over expenses before following items	(155,093)	(191,801)	13,166
Goods and Services Tax assessment (note 8)	-	-	(453,347)
Canada Employment Wage Subsidy	-	500,176	-
Excess (deficiency) of revenue over expenses	<u>\$ (155,093)</u>	<u>\$ 308,375</u>	<u>\$ (440,181)</u>

See accompanying notes

ALBERTA AMATEUR HOCKEY ASSOCIATION

(Operating as Hockey Alberta)

Statement of Cash Flows

Year ended July 31, 2020

	2020	2019
CASH PROVIDED BY (USED FOR)		
Operating activities		
Cash receipts from registrations, events, government, and other	\$ 5,220,175	\$ 6,420,398
Cash paid to suppliers and employees	(5,716,190)	(6,594,649)
Interest received	11,478	10,436
Bank and credit card charges	(127,539)	(155,077)
	<u>(612,076)</u>	<u>(318,892)</u>
Investing activities		
Repayment from Hockey Alberta Foundation	71,310	20,764
Purchase of tangible capital assets	(13,050)	(190,811)
Purchase of short-term investment	(11,478)	(4,358)
	<u>46,782</u>	<u>(174,405)</u>
Decrease in cash and cash equivalents	(565,294)	(493,297)
Cash and cash equivalents, beginning of year	<u>2,039,393</u>	<u>2,532,690</u>
Cash and cash equivalents, end of year	<u>\$ 1,474,099</u>	<u>\$ 2,039,393</u>

Excluded from the statement of cash flows is nil (2019 - \$61,865) that relates to sponsorship received in kind.

ALBERTA AMATEUR HOCKEY ASSOCIATION

(Operating as Hockey Alberta)

Notes to the Financial Statements

July 31, 2020

1. Nature of Operations

Alberta Amateur Hockey Association (the "Association") is registered under the Societies Act of Alberta and is the governing authority of amateur hockey in Alberta. Alberta Amateur Hockey Association is responsible for the registration, administration, and development of players, officials, coaches, and volunteers. The Association operates under the name Hockey Alberta.

The Association is exempt from income tax under Section 149 of the Income Tax Act.

2. Significant Accounting Policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

Funds

The General Fund encompasses all operations and development functions. It records the registration and administrative functions of the Association, as well as grant revenue, registration, fees, and sales of the Association for the purpose of developing hockey players, coaches, and referees in Alberta. Activities not specifically included in any other fund are recorded in the General Fund.

The Strategic Priority Fund records revenues shared by Hockey Canada from hosted international events, the CAHA Legacy Trust Fund, and Branch Support Funding. These funds are used for initiatives designed to meet the Association's Strategic Priorities including "HA 2025", service enhancements for the membership, and increasing the capacity of those that impact the game. For the 2019 – 2020 year these included the creation of digital media to engage members, parents, coaches, and players, Hockey Alberta's Concussion Presentation, and the Local Minor Hockey Association Safety Leader Training Day.

The Facility Fund records assessments, donations, and other contributions for the Association's office lease expenses and the acquisition, expansion, and enhancement of capital facilities.

The Technology Fund records assessments, donations, and other contributions for the acquisition, expansion, and enhancement of technology facilities, e-learning and web platforms. For the 2019 – 2020 year this included the creation of the Alberta Elite Hockey League and updates to the Alberta Female Hockey League website.

ALBERTA AMATEUR HOCKEY ASSOCIATION

(Operating as Hockey Alberta)

Notes to the Financial Statements

July 31, 2020

2. Significant Accounting Policies, continued

Funds (continued)

The Donation Fund records funds that are provided by the Hockey Alberta Foundation through the Government of Alberta's Sport, Physical Activity and Recreations branch for initiatives related to growing the game and developing leaders within the game. For the 2019 – 2020 year this included the Every Kid Every Community grant program and the Para Hockey Season Kickoff Event.

The Alberta Elite Hockey League Fund and Alberta Female Hockey League Fund record revenue from registration fees and expenses related to running the leagues.

Invested in Tangible and Intangible Capital Assets represents the net contributions for tangible and intangible capital assets.

Measurement uncertainty

The preparation of financial statements in conformity 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 revenue and expenses during the period. Significant areas requiring the use of estimates include: allowance for doubtful accounts, estimated useful lives of tangible and intangible capital assets and contingent liabilities. Actual results may differ from management's best estimates as additional information becomes available in the future.

Cash and cash equivalents

Cash and cash equivalents include cash on deposit and investments with a maturity of 3 months or less at acquisition.

Inventories

Inventories consist of supplies to be consumed in the rendering of services and are valued at the lower of cost or replacement cost. Replacement cost is determined by the most recent invoice price.

Intangible assets

The website is accounted for at cost and is amortized based on a straight-line basis over the estimated useful life of 5 years.

When conditions indicate the intangible asset is impaired, the carrying value of the intangible asset is written down to the asset's fair value or replacement cost. The write-down of the intangible asset is recorded as an expense in the statement of operations. A write-down is not reversed.

ALBERTA AMATEUR HOCKEY ASSOCIATION

(Operating as Hockey Alberta)

Notes to the Financial Statements

July 31, 2020

2. Significant Accounting Policies, continued

Tangible capital assets

Tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution. Amortization is recorded by the Association at rates determined to amortize the cost of the assets over their useful lives as follows:

Furniture and fixtures	20% Declining balance
Computer equipment	20% Declining balance

Leasehold improvements are amortized straight-line over the term of the lease plus one renewal period.

A full year amortization is calculated in the year of acquisition. No amortization is calculated in the year of disposition.

During the year, the Association adopted the new accounting standard for tangible capital assets held by not-for-profit organizations. This standard is applied on a prospective basis. As a result of the implementation of this new standard, the Association has updated their policy as it relates to the impairment of tangible capital assets as follows:

When conditions indicate a tangible capital asset is impaired, the carrying value of the tangible capital asset is written down to the asset's fair value or replacement cost. The write-down of the tangible capital asset is recorded as an expense in the statement of operations. A write-down is not reversed.

Financial instruments

The Association measures its financial instruments initially at fair value and subsequently measures them at amortized cost, except for cash and cash equivalents and short-term investments, which are subsequently measured at fair value.

Contributed materials and services

Contributions of donated materials or services are not recognized in the financial statements unless the fair value can be reasonably determined, the materials or service are used in the normal course of operations and the materials or services would otherwise have been purchased.

Deferred revenue and contributions

The deferred revenue will be recognized when services are provided. Deferred contributions are recognized when restrictions on the use of the contribution are met.

ALBERTA AMATEUR HOCKEY ASSOCIATION

(Operating as Hockey Alberta)

Notes to the Financial Statements

July 31, 2020

2. Significant Accounting Policies, continued

Revenue recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue of the appropriate fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Operating grants, government assistance and sponsorships are recognized as revenue when conditions of the grant, government assistance and sponsorship have been satisfied. Use of the government grants received by the General Fund are subject to the guidelines for the promotion of amateur hockey in Alberta through education, leadership, and development programs as outlined by the Government of Alberta's Department of Alberta Culture, Multiculturalism and Status of Women - Sport, Physical Activity and Recreation.

Capital grants are deferred and amortized to revenue at the same rate as the amortization of the tangible capital assets acquired with the funds.

Participant and program fees are recognized as revenue of the General Fund when the events and programs are held.

Non-program related revenue is recognized as revenue in the General Fund as it is earned.

World Junior Fund contributions are recognized as revenue in the Strategic Priority Fund when conditions of the memorandum of understanding are satisfied. These are subject to the guidelines for a provincial training centre and for new programming and initiatives as outlined by Hockey Canada and the 2012 IIHF World Junior Hockey Championship Host Committee.

Hockey Canada branch support and CAHA Participants Legacy Trust Fund are recognized as revenue of the Strategic Priority Fund as they are received or collection is reasonable assured.

Facility assessment levy is recognized as revenue of the Facility Fund as it is earned at the time of annual registration.

Technology fee is recognized as revenue of the Technology Fund as it is earned at the time of annual registration.

Donations received on behalf of Hockey Alberta Foundation are recognized as revenue of the Donation Fund as they are received or collection is reasonably assured.

ALBERTA AMATEUR HOCKEY ASSOCIATION

(Operating as Hockey Alberta)

Notes to the Financial Statements

July 31, 2020

3. Financial Instruments

The Association's financial instruments consist of cash and cash equivalents, short term investment, accounts receivable, and accounts payable and accruals. The Association is not exposed to significant interest, currency, market, liquidity, or credit risks arising from these financial instruments except as follows:

(a) Credit risk

The Association is exposed to credit risk as it grants credit to its members in the normal course of business. To mitigate this risk, the Association regularly reviews its accounts receivable list and, based on knowledge of the members, will stop granting credit to or stop providing services to members who have not made their payments.

(b) Interest rate risk

The Association is exposed to interest rate risk as the short-term investment bears interest at a fixed interest rate.

4. Cash and Cash Equivalents

Included in cash is \$24,112 (2019 - \$166,474) of cash received subject to the restrictions in note 9, excluding program fees.

5. Short-term Investment

The short-term investment consists of a guaranteed investment certificate, earning interest at 1.50%, and maturing April 2021.

ALBERTA AMATEUR HOCKEY ASSOCIATION

(Operating as Hockey Alberta)

Notes to the Financial Statements

July 31, 2020

6. Accounts Receivable

	<u>2020</u>	<u>2019</u>
Alberta Government - Sport, Physical Activity, and Recreation	\$ 205,310	\$ 385,000
Membership	195,968	101,441
Partners and Leagues	124,834	33,037
Canada employment wage subsidy	108,929	-
Sponsorship	91,563	2,265
Other	53,556	30,858
Program	-	20,234
Hockey Alberta Foundation	-	4,332
	<u>\$ 780,160</u>	<u>\$ 577,167</u>

7. Tangible Capital and Intangible Assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2020 Net</u>	<u>2019 Net</u>
Furniture and fixtures	\$ 164,418	\$ 60,036	\$ 104,382	\$ 130,478
Computer equipment	24,704	9,523	15,181	18,976
Website (Intangible asset)	66,728	53,678	13,050	8,052
Leasehold improvements	13,212	2,642	10,570	11,891
	<u>\$ 269,062</u>	<u>\$ 125,879</u>	<u>\$ 143,183</u>	<u>\$ 169,397</u>

A new website for the Alberta Elite Hockey League was launched in August 2020, it is estimated that additional costs of \$14,000 will be incurred to complete the website. No amortization was calculated on the current year addition of \$13,050 for the website as it was not available for use at July 31st.

8. Goods and Services Tax

The Association was subject to a goods and services tax (GST) audit and received an assessment which resulted in an amount owing of \$453,347 in 2019. The entire balance was paid in the 2020 year-end. Hockey Alberta, after consultation with its advisors, filed a Notice of Objection. The outcome of the objection is undeterminable at this time.

If the Association is successful in objecting to the assessment, these funds will be recoverable. If the objection is unsuccessful, it is estimated the Association will have a further liability of \$419,621 (consisting of 2020 - \$214,621 and 2019 - \$205,000) based on program fees that would be subject to GST and additional future liabilities based on future program fees until the objection is resolved.

ALBERTA AMATEUR HOCKEY ASSOCIATION
(Operating as Hockey Alberta)
Notes to the Financial Statements
July 31, 2020

9. Deferred Revenue and Contributions

	Balance at July 31, 2019	Funds received	Funds recognized as revenue	Balance at July 31, 2020
Deferred contributions:				
2012 World Juniors funds received to help finance a provincial training centre, support new programming and initiatives through the six regional centres over the next three seasons, and to support the Every Kid Every Community program.	\$ 36,296	\$ -	\$ (36,200)	\$ 96
Amounts received from the Alberta Government - Sport, Physical Activity, and Recreation (note 10)	75,810	325,330	(401,140)	-
Hockey Canada branch support funds received to be used in the 2019-2020 hockey season	37,352	-	(37,352)	-
Amounts received for Fort McMurray Hockey Association from Alberta Sport	15,000	-	-	15,000
Other	2,016	-	-	2,016
	<u>166,474</u>	<u>325,330</u>	<u>(474,692)</u>	<u>17,112</u>
Deferred revenue:				
Amounts received for programs and camps to be held in the upcoming summer and fall.	222,219	116,086	(222,218)	116,087
Alberta Hockey Hall of Fame Awards Gala postponed due to COVID-19	-	7,000	-	7,000
	<u>\$ 388,693</u>	<u>\$ 448,416</u>	<u>\$ (696,910)</u>	<u>\$ 140,199</u>

ALBERTA AMATEUR HOCKEY ASSOCIATION

(Operating as Hockey Alberta)

Notes to the Financial Statements

July 31, 2020

10. Alberta Government - Sport, Physical Activity, and Recreation

	Balance in Unexpended Designated funds at beginning of year	Funds received	Funds recognized in revenue	Balance in Unexpended Designated funds at year end
Association Development program	\$ 50,310	\$ 150,930	\$ (201,240)	\$ -
Team Training & Selection- Canada Winter Games	10,500	-	(10,500)	-
Provincial Coach Development Grant	15,000	6,800	(21,800)	-
Donation	-	12,600	(12,600)	-
	<u>75,810</u>	<u>170,330</u>	<u>(246,140)</u>	<u>-</u>
Donation on behalf of Hockey Alberta Foundation*	<u>-</u>	<u>155,000</u>	<u>(155,000)</u>	<u>-</u>
	<u>\$ 75,810</u>	<u>\$ 325,330</u>	<u>\$ (401,140)</u>	<u>\$ -</u>

*The \$155,000 for the donation on behalf of the Hockey Alberta Foundation is currently included in accounts receivable.

ALBERTA AMATEUR HOCKEY ASSOCIATION

(Operating as Hockey Alberta)

Notes to the Financial Statements

July 31, 2020

11. Commitments

The Association has entered into a business premise lease expiring June 2028. The annual lease payments including operating expenses are as follows:

2021	\$ 161,241
2022	169,827
2023	171,458
2024	180,141
2025	181,871
Subsequent years	<u>568,018</u>
	<u>\$ 1,432,556</u>

Due to the COVID-19 pandemic, a rent deferral agreement was signed between the Association and Red Deer College. They have agreed to suspend rent for the months of May 2020, June 2020, and July 2020. These deferrals were included in accounts payable at year end in the amount of \$22,918 and the entire amount is scheduled to be repaid by December 2020.

The Association has entered into two vehicle leases expiring in December 2020. The leases require total annual payments of \$16,108.

The Association has entered into a computer equipment and support lease expiring August 2023. The leases require total annual payments of \$111,318.

The Association has also signed a memorandum of understanding with Red Deer College. This memorandum commits the Association to donate a total of \$1,500,000 over five years to Red Deer College. Of this total, \$750,000 was paid in prior years. The remaining \$750,000 scheduled donation will be made immediately following acceptance and signing of an Service Agreement.

ALBERTA AMATEUR HOCKEY ASSOCIATION

(Operating as Hockey Alberta)

Notes to the Financial Statements

July 31, 2020

12. Non-Program Related Expense

Non-program related expense consists of the following:

	2020 <u>Budget</u>	2020 <u>(Actual)</u>	2019 <u>(Actual)</u>
Information technology maintenance	\$ 150,700	\$ 155,415	\$ 138,774
Bank and credit card charges	110,500	127,539	155,077
Office	146,848	107,342	149,448
Goods and Services Tax	-	96,243	39,854
Human resources	108,450	91,060	106,920
Communication	189,000	89,647	144,147
Professional fees	63,000	61,561	33,815
Marketing	45,000	52,145	85,298
Miscellaneous	156,700	27,935	56,559
Donations	-	-	325,000
	<u>\$ 970,198</u>	<u>\$ 808,887</u>	<u>\$ 1,234,892</u>

13. Related Party Transactions

During the year, the Association charged the Hockey Alberta Foundation (the "Foundation") \$50,000 (2019 - \$50,000) for management fees which is included in other grants and dues. Included in accounts receivable at year-end was nil (2019 - \$4,332) due from the Foundation.

During the year, the Association paid for items on behalf of the Foundation, which were subsequently reimbursed by the Foundation. Included in accounts payable at year-end is nil (2019 - \$3,800) due to Hockey Alberta Foundation.

The Foundation is subject to significant influence from the Association. The Association has an economic interest in the Foundation and provides staff and administrative resources to the Foundation.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

ALBERTA AMATEUR HOCKEY ASSOCIATION

(Operating as Hockey Alberta)

Notes to the Financial Statements

July 31, 2020

14. Hockey Canada Assessment

During the year, the Association collected insurance and assessment fees, totaling \$2,313,768 (2019 - \$2,333,756) on behalf of Hockey Canada.

15. COVID-19 Pandemic

Since year end, a strain of coronavirus ("COVID-19") has continued to spread globally including in the area in which the Association operates. The COVID-19 pandemic has caused: disruption of regional and global economic activity, has required Federal, Provincial and Local Governments to take emergency actions, significant declines in interest rates and equity market valuations, heightened volatility in the financial markets, the shutdown of countries' borders and directives for residents to stay at home and for certain business and other organizations to suspend some or all of their activities. Actions taken to address the spread and impact of COVID-19 have affected the operations of the Association and are expected to impact the 2021 financial results.

It is currently difficult to estimate the extent the COVID-19 outbreak will impact the financial results and financial position of the Association. The Association was able to launch the 2020/2021 hockey season and re-started its programming and the collection of participation fees in August of 2020. Additionally, the Board has approved the use of funds held outside of the General fund to help offset some of the operational expenses in the next fiscal year and continues to have sufficient cash and cash equivalents to pay for expenses.

The impact of the COVID-19 outbreak will depend on future developments, which are highly uncertain and cannot be predicted, including the scope and duration of the outbreak and additional actions taken by governmental authorities to minimize the financial and economic impact of the COVID-19 outbreak. Other national health concerns, including the outbreak of other contagious diseases or pandemics may also adversely affect the Association in the future.

16. Comparative Figures

The presentation of certain accounts of the previous year have been reclassified to conform with the current year's presentation.

As of May 31, 2020, the Alberta Midget Hockey League, Alberta Minor Midget Hockey League, and Alberta Major Bantam Hockey League ceased operations as independent entities and now operate as the Alberta Elite Hockey League under the Association. To reflect this new operating structure, the Association has segregated the funds to reflect league operations. As this new agreement was completed in the 2019 – 2020 season and begins with the 2020 – 2021 season there are no comparative figures. For consistency in tracking and presentation, the Association also segregated the funds of the Alberta Female Hockey League.