



AGM MEMBER'S PACKAGE

2019/20

GYMNASTICS ENERGY

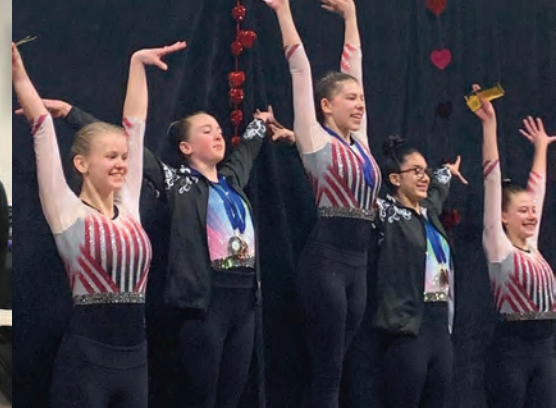


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BOARD COMMUNICATIONS

Thank You to the 2019/20 Board of Directors

Erin Wiltshire – Vice President

Allison Foulser – Treasurer

Melissa Shaw – WAG rep + secretary

Tara Becevel – MAG rep

Dianne Wright-Kirwin – Communications + p/t secretary



Welcome to the year in review, a year that certainly one that no one could have predicted. We started the new board term with a clear focus on growing the gym revenue however as anyone with a business knows, there are often road blocks. The loss of some board members, carry over from previous board term, followed by a Global Pandemic certainly challenged us and yet we remained focused on our athletes, coaches, members and have done everything within our ability to forge ahead.

We did not start the year with clear strategic goals but I am pleased to say we will complete this year with a Mission & Vision statement to guide our next stage of Energy Gymnastics development. We also collaboratively created values which set the tone to provide a foundation for the Gym's future.

As the Board Communications Officer it has been a special year for me being able to brighten up the entry way with a larger than life Energy Welcome graphic. To work on social media, increasing collaboration with athletes and coaches to create a community of contributors. It was a pleasure to support the launch of the new website and to develop more communication tools providing information, updates, policies and improve transparency. We hope you have checked out Team Talk in the Energy NEWS section. It remains a work in progress as we continue to evolve the content and contributions of many.

We are a small team of parent volunteers who unknowingly were tasked with one of the most challenging business advisory roles. We all brought our best and worked on new bylaws that better fit the future and challenges we encountered. We continued to fundraise even when the gym was shut down, thank you wine drinkers and Fielding Estate Winery. When we needed help, we asked for it through surveys and more surveys. So many of the members were ready and willing to help with the gym changes. Thank you. We leave this year with many resolutions, accomplishments and goals for the next Board of Directors.

We are an Energy community and together we are stronger.

Special thanks to Erin, Allie, Tara & Melissa for making it to the final stretch! It's been a windy road and yet we managed to smile most of the way!

Dianne Wright-Kirwin

MISSION

Gymnastics Energy is a supportive community empowering athletes to focus on their health, wellness and personal growth for life through the sport of gymnastics.

VISION

To lead and provide expertise in the sport of gymnastics both in Niagara and provincially through the education, training and development of athletes, coaches and inclusive programming.

VALUES

We are Gymnastics Energy

We are inclusive, supportive, dynamic.
We are resilient, committed. & competitive.
Together we celebrate our successes
and grow from our challenges.

Welcome to our Gym

HIGHLIGHTS OF THE YEAR

Financial Highlights

Improving our banking and accounting procedures by signing up for RBC Express and making sure that our bookkeeper and treasurers have their own assigned user name and password to our bank accounts instead of everyone using the same one. The system also has a two step approval process for any debits from the account

Special thanks to Tracey, Allie & Erin

Working on a budget and a cash flow statement for our team to track expenditures.

Due to the issue with the fiscal year end, there was no system in place for tracking spending. Revenue reports could be run however the gym was unable to determine where our expenses were trending in relation to the income. The financial statements were not completed as they had to be redone. So August 2018 was not completed until Fall of 2019. Therefore any issues with decreased revenue or increased expenditures were a year behind in identifying.

Special thanks to Tracey, Holly, Erin

Improved Process for Human Resources

Improved and standardized job descriptions for all key roles and created an employee review system that identified key competencies for all employees to strive to achieve, including the review forms to be completed by the staff annually. Leadership annual review structure was also documented, as was the development of employment postings focusing on gym's greatest needs, good people who can be trained.

Special thanks to Erin & Dianne

Challenges

The struggle to move from operational to governance model created a very difficult environment for the Board as it was a significant change from previous years. Roles and responsibilities were unclear. There were difficulties and disagreements amongst board members about ED responsibilities and Director collaborative decisions. The goal of moving to governance was a grey area as the human resources and staffing changes were in flux which left the path to get there unclear.

The organization is a very large business with a lot of moving parts. For many years it operated with a large revenue and was growing strong. Decisions made previously that seemed to be good sense in the environment at the time were made however measures were not put in place to ensure the sustainability of those decisions, best practices or procedures. Thus ending the 2018/19 year in arrears, we were challenged from the outset to ensure things operated smoothly.

As a result, the focus on formalizing our operations to keep the pace with the size of the organization was necessary. This was a very large challenge because the day to day business of running the Gym is time-consuming. Trying to implement structure, improve communications and work on the 'big picture' things the Board wanted to improve was not always possible when operational and governance issues would arise and require attention.

We went from 7 active board members to 5.

We released all staff when the gym shut down however the board continued to work in an operational capacity to avoid HR costs.

VIRTUAL AGM AGENDA via ZOOM

Sept 2nd 2020 @ 7pm

Call to Order + Land Recognition

Approval of 2018/19 AGM Minutes

Sector Reports:

Financial Report by auditor

Comms

Executive Director Report

ByLaw Update and Motion

Election of BOD

Open Questions

Meeting Adjournment

LETTER FROM THE CHAIR / VP

Dear Energy Families,

As we enter our Fall season it is a good time to share where we are at in this new environment. COVID-19 presents a challenge the likes of which the Gym has never faced and rebuilding our organization will be a very long and difficult road.

Going into 2020, the Gym was operating at a loss. This loss had been identified and measures were already taken to tighten our expenses and increase revenue. Our recreational program was flourishing and our competitive program also had plans to expand by rebuilding the foundation. If we continued along this path the operating loss would have been eliminated or at least greatly reduced by the August 2020 fiscal year end.

The revenue loss from March to July is 79% from 2019 to 2020. This is devastating to our organization. To further complicate matters, the safety protocols required to open our organization are very expensive. We require extra staff to help sanitize and disinfect between rotations, and commercial cleaners to help clean and disinfect the building every night. We are in a position now to open our Fall registration and it is our great hope that we see a return of our recreational families to help us rebuild. The Board has also applied for various government programs and grant opportunities to support the expenses of the gym.

But as the saying goes, "every cloud has a silver lining" and the silver lining in this situation comes from our team and our members. The coaches demonstrated a love for Energy that stands as a shining example to our children. They did not complain or object when their job description expanded to include cleaning duties. They maintained enthusiasm and positivity which helped our athletes adapt quickly and feel comfortable in the gym. Many volunteered their time to help the gym save money. We are so lucky that our athletes have such wonderful people helping to shape their future.

We do not know what the future brings for Gymnastics Energy. Every day there is something new that causes us to adapt and adjust. We will continue to be adaptive and to work hard to rebuild. We know that the gym has your support and we appreciate it.

If you have questions, suggestions or want to get more involved reach out to the Board. Any and all help is welcome and appreciated. Attend the monthly board meetings, send us ideas, volunteer your expertise- help us to weather this challenging time. It will take the efforts of more than just the staff and the board to move us forward. I look forward to working with you and the 2020/2021 Board of Directors.

Sincerely,

Erin Wiltshire

Chair-VP Board of Directors

MINUTES FROM 2018/19 AGM

June 17, 2019

Best Western Hotel and Conference Centre
2 North Service Rd, St. Catharines, ON

1. Call to Order

Mike Cocco (Outgoing President) called the meeting to order at 6 p.m.

Addressed alarm protocol for the Best Western.

Please mute all phones.

2. Approval of Minutes

Moved by: Jon Hughes Seconded by: Tara Becevel

Opposed by: Jesse Rocca

Mr. Rocca requested a thorough line by line reading of last year's minutes before proceeding with the meeting.

Minutes were read through.

Reading completed

The minutes were subsequently approved for the 2018 Gymnastics Energy Annual General Meeting.

APPROVED

3. Board Elections

Move to hold off on Elections until review of the previous year financials was completed.

Those in favour of this: only a few

Those opposed: most of the members (show of hands).

Elections will proceed.

Vice-President

Nominated: Jesse Rocca

Nominated: John Hughes

J. Rocca addressed the audience. Wants to ensure gym is compliant with GO By-Laws and policies, Not-for-profit Act, Fire Code, Disabilities Act, Electrical Safety Code etc. He is an engineer and has experience with these codes. Experience leading/managing a team of engineers. Has had training in this area. Will put employees first and focus on morale. Wants Senior Staff and Board to achieve cohesive work together, partnering with Executive Director. Will offer commitment to the members with prudent judgement, transparent communications, resolving all matters fairly with a focus on athletes/coaches/staff.

J. Hughes addressed the audience. He is currently a Parent Liaison on the Board this past year. Has 3 children who attend the gym. Joined the Board last July and has had a good opportunity to develop an understanding of the Board and how things work. He offers a long-time commitment due to age of his children and planning to stay a long time. His wife has been involved in gymnastics since she was a child. Plans to be a champion for all athletes. Offers

clear understanding of the commitment involved as fulfilled his Board obligations and Volunteer Commitments. Additionally, was present at the gym to help a great deal over the year. Moving forward with new website and new emails. Has heard that many parents that are new to the Competitive Program did not understand their contract packages and would like to hold information session for families that would like to know more about the program before they begin the season. Reminded parents that Board Meetings are open. Also, much Coach development is coming up this year as well. Would like to stay on Board to help things keep moving forward.

Electronic voting was completed by members.

Jon Hughes was voted in as new Vice-President.

Jesse Rocca was asked if he would like to run for the next position up for election, that being the Co-Treasurer position. He agreed he would run.

Membership asked that Financial Report be heard before the election for the Co-Treasurer position took place.

Cari Hutley was asked to present the financial update.

4. Financial Update

Cari Hutley (Co-Treasurer) thanked office staff for all their hard work at making things run more smoothly (Jana, Tracy & Holly). Explained we are currently working on further developing our processes and setting budgets.

Cari then explained the following to the membership:

“Typically at this point of the meeting the treasurers present the income statement and audited financials for the current year. Unfortunately, we will not be able to present the most accurate fiscal report for our 2018/2019 year.

At the commencement of our term as treasurers we were advised by the previous treasurers that the Gyms fiscal year was changed and would run from July 1, 2018 to June 30, 2019 (to match the same schedule as Gymnastics Ontario) - however, it was discovered by our accountant after an audit that the proper procedures and paperwork had not previously been filed and that Revenue Canada will not accept the change in our year end. Revenue Canada did advise what steps need to be taken in order to apply for a change in year end and those items are on next years agenda to complete and hopefully with proper application we will get there by 2020.”

Cari then presented some unaudited financial information to the membership taken from our comparative income statements and Fund reports from our accounting system for several of our fundraisers that occurred during the July 1, 2018 to May 31, 2019 period.

(Unaudited income statement and fund reports referred to are attached to these minutes.)

Cari outlined many of our major expenses for the membership using the numbers from the income statements. Parent inquired why the revenue for this year is so much lower than last year and it was explained through reiterating where all the major expenses came from; those being the pit repair, equipment, increases in salaries due to new staff and increases in minimum wage and therefore other wages.

A parent inquired if there will be any penalties issued by CRA due to the improper changing of the year end. They were informed that we are not sure about that because they have the ability to issue fines, but we will not know that until we are caught up with the proper filing for the years that

are outstanding and then request our new year end change.

A parent asked if we could look into becoming a “living wage” company and if there would be much of an increase for our staff who work over 30 hours/week to get us to that point.

They were informed that there would not be many staff who would need increases to make it to that level, but we then would also have to increase other staff as well, but we could discuss it at the next regular board meeting.

Member, Cindy Pfeffer, informed us that she has been working on this in her own workplace and would forward the link and information for us to review.

5. Board Elections Continue

Co-treasurer (one-year)

Jesse Rocca decided to withdraw from the election for Co-Treasurer. This left Erin Wiltshire as the only nominated candidate.

Erin Wiltshire will be Co-Treasurer.

Communications Officer/Secretary

Dianne Wright-Klrwin nominated for Secretary – no other candidates available.

Dianne Wright-Klrwin will be Secretary.

Erin Wiltshire and Dianne Wright-Klrwin were asked to address the membership and tell everyone a bit about themselves.

Erin Wiltshire addressed the membership. She currently works in the financial industry at one of the biggest financial institutions in the country. She works with clients who need to find solutions to debt problems, so is very good with finding ways to bring down expenses. She has also had experience in Marketing prior to her work in the financial industry.

Dianne Wright-Klrwin addressed the membership. She works in the private sector with her own business, ChimpAgency, which is a Marketing company. She is interested in solutions and transparent communications between all areas of the gymnastics club. She would like to do a parent survey over the summer. She is happy about the new website happening and would like to see a communications board possibly.

Parent Liaison- non-WAG

Two nominations were received: Tara Becevel and Melissa Shaw.

Melissa Shaw addressed the membership. Advised that she is at better one on one interactions with parents than public speaking. She has two children in the competitive program. One boy in MAG and one girl in WAG, so has an idea of both sides. Would like to be part of the board and contribute in some way.

Tara Becevel addressed the membership. She is a MAG parent and has been on the Board this past year. Would like to see boys move up to higher levels. Important to give support and time to the boys and their coaches. She would like to stay on board another year and follow through with the Board on some changes to improve things.

Electronic voting was completed by the membership.

Tara Becevel will be non-WAG Parent Liaison

Parent Liaison- WAG

Three nominations were received: Pamela Rocca, Kylie Keeping and Melissa Shaw. Kylie Keeping decided to withdraw before addressing the membership.

Pamela Rocca addressed the membership. She has two daughters in competitive WAG program. She was a gymnast herself in the past. She works

at Niagara College taking care of placements for students. She would like to ensure new coaches are being hired and have new level of communication for parents and gym. Would like to see more updates on the website and perhaps a monthly newsletter.

Melissa Shaw addressed the membership. Explained that her daughter in the WAG program was injured this year and missed part of the year. Indicated that the support and love she received during this time was wonderful. She is committed to communication with the parents and does this on a regular basis in her career as she runs her own daycare. She was also on the Fundraising Committee this past year.

Electronic voting was completed by the membership. Melissa Shaw will be WAG Parent Liaison

6. Executive Director

Holly Hopkins, Executive Director addressed the membership. Full address is attached to the minutes.

7. Motion to Change the By-Laws

Motion made by Ellen Gretsinger to change the By-Laws back to having our year end date be August 31, 2019, as this is the year-end that is currently

attached to our company. Seconded by Mike Cocco. Year-end date will now be August 31 moving forward. (Until we received approval from CRA to adjust it. By-laws).

8. Open Questions

Parent asked if the Secretary position could be split between two people and possibly share a vote on the Board. Since it is not possible to share votes, creating another Board position would need to be considered by the Board, require a change to the By-Laws and would need to be opened to the Membership for nominations. This may be discussed at a later date.

Parent asked if we have applied to any Grants this year. Answered by previous Board member in the audience that we had looked into some Trillium funding for \$150,000, but they have changed the structure of their applications and we weren't able to apply as a result. Will continue to pursue for next season.

9. Meeting Adjournment

Motion to adjourn: Dianne Wright-Kirwin

Seconded by: Craig Foulser

The meeting was adjourned at 8:00 p.m.

PROPOSED NEW BYLAWS

Thank you for those that participated in our poll concerning a few key areas of the by-laws. Based on the results of the survey we have updated two areas of the bylaws to reflect the opinion of the majority of our membership.

IV.04 A Director may seek re-election following a period of (1) year absent from the Board regardless of whether the Director retired, was removed or voluntarily resigned mid-term from their Board position.

VI.05 Duties of Treasurer The treasurer shall have a demonstrated ability to manage the day to day finances of the corporation through professional work experience in finance or accounting and/or a related professional designation. Should the elected directors not have the experience amongst their members they will appoint an interim treasurer until such time as they can seek a member first from within the membership and then if unsuccessful, from outside the Board pursuant to section IV.03 (b)....

The issue of whether the WAG and MAG representatives should have a vote or not will need to be voted on at the AGM. The current opinion is split 50/50 and therefore it is clear that a proper vote should be held.

BY-LAW NO. 1

A By-Law Relating Generally to the Transaction of the Affairs of

GYMNASTICS ENERGY TRAINING CENTRE INC.

(the "Corporation")

BE IT ENACTED as a by-law of the Corporation as follows:

SECTION I. GENERAL

I.01 Definitions

(a) "Act" means the Corporations Act (Ontario) until such time as the Not-for-Profit Corporations Act, 2010 (Ontario) is proclaimed into force, at which time "Act" shall mean the Not-for-Profit Corporations Act, 2010 (Ontario) and, where context requires, includes the regulations made under it as amended or re-enacted from time to time;

(b) "Annual Meeting" shall mean the annual meeting of the Members of the Corporation called in accordance with the Act.

(c) "Board" means the board of directors of the Corporation;

(d) "By-laws" means this by-law (including any schedules) and all other by-laws of the Corporation as amended and which are, from time to time, in force;

(e) "Chair" means the President of the Corporation or such other person as may be chosen to act as the Chair in accordance with the by-laws;

- (f) "Director" means an individual occupying the position of director of the Corporation who has been elected in accordance with these by-laws or is otherwise a director by virtue of their office in accordance with the Act or these by-laws;
- (g) "Gymnastics Canada" means the national governing body for gymnastics being the Canadian Gymnastics Federation, or its successor;
- (h) "Gymnastics Ontario" means the governing body for gymnastics in the Province of Ontario being the Ontario Gymnastics Federation, or its successor;
- (i) "Letters Patent" means the letters patent issued November 10, 1988, as amended.
- (j) "Meeting" means a meeting of the Board, or a meeting of the Members held in accordance with the Act and the By-laws;
- (k) "Member" means a member of the Corporation as more particularly defined herein;
- (l) "Members" means the collective membership of the Corporation;
- (m) "Officer" means an officer of the Corporation, as more particularly set out in SECTION VI;
- (n) "Ordinary Resolution" means a resolution passed by a majority of the votes cast at a Meeting.
- (o) "Special Resolution" means a resolution passed by at least two-thirds of the votes cast at a Meeting.
- (p) "Special Meeting" means any Meeting of the Members, other than an Annual Meeting called in accordance with the Act or the By-laws.

I.02 Interpretation

Other than as specified in section 1.01, all terms contained in this By-law that are defined in the Act shall have the meanings given to such terms in the Act. Words importing the singular include the plural and vice versa, and words importing gender include all genders.

I.03 Head Office

The head office of the Corporation shall be in the City of St. Catharines, in the Province of Ontario, at such place therein as the directors may from time to time determine.

I.04 Seal

The Corporation may have a corporate seal in the form approved from time to time by the board. If a corporate seal is approved by the board, the secretary of the Corporation shall be the responsible for securing and/or delivering the corporate seal to the most senior staff member of the Corporation including but not limited to, the Executive Director, Office Manager, Bookkeeper or Head Coach.

I.05 Execution of Documents

(a) Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any two (2) of its officers or directors.

(b) In addition, the board may from time to time, by Ordinary Resolution, direct the manner in which and the person or persons by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal (if any) to the document. Any signing officer may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy thereof.

SECTION II. GOVERNANCE

II.01 Objects

As set out in the Letters Patent, the objects of the Corporation are as follows:

1. to promote the physical fitness and general health of the community through the teaching of the sport of gymnastics;
2. to organize and participate in gymnastics competitions;
3. to provide for the technical training and advancement of coaches, judges and other officers and officials involved with the sport of gymnastics; and
4. to promote the sport of gymnastics within the general community.

II.02 Compliance

(a) The affairs of the Corporation shall be managed in accordance with the objects, By-laws, rules, polices and regulations of the Corporation, and the by-laws, rules, policies and regulations of Gymnastics Ontario and Gymnastics Canada to which the Corporation is subject.

SECTION III. FINANCIAL

III.01 Banking

(a) The Board shall by resolution from time to time designate the bank in which the money, bonds or other securities of the Corporation shall be placed for safekeeping.

(b) All cheques, bills of exchange or other orders for the payment of money, and notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers of the Corporation as may be determined by Ordinary Resolution of the Board from time to time.

III.02 Financial Year

The Financial Year of the Corporation shall end on the 31st day of August in each year, unless otherwise determined by Ordinary Resolution of the Board.

SECTION IV. DIRECTORS

IV.01 General

The affairs of the Corporation shall be managed by a board of directors. All Directors shall be Members of the Corporation as defined in Section VIII.01 i) in order to be considered for election and may not be members that are classified as employees of the Corporation. The Board shall manage and supervise the affairs of the Corporation in accordance with the Act, the letters patent, and the by-laws of the Corporation and all applicable rules, by-laws and regulations of Gymnastics Ontario and Gymnastics Canada.

IV.02 Board Policies

The Board may pass, by Ordinary Resolution, policies, rules and procedures governing the duties, responsibilities and procedures for the management of the Corporation which shall be known as "Governance Policies." The Directors shall at all times abide by the terms of the Governance Policies. In the event of any conflict between the Act, letters patent, or by-laws and any Governance Policies, the provisions of the Act, the letters patent and By-Laws shall supersede the provisions of any Governance Policy.

IV.03 Composition

(a) The Board shall be made of up of a minimum of five (5) and a maximum of seven (7) Directors or such other number as may be determined by a Special Resolution of the Members. At no time shall the number of required Directors be less than three (3). Additionally, the Executive Director shall be an ex-officio, non-voting, member of the Board.

(b) The five (5) minimum Directors shall stand for election at the Annual General Meeting. The Board of Directors may appoint to the board, from time to time, up to two additional directors, who may or may not be Members of the Corporation, with a professional background in law, human resources, corporate communications, finance or other specialties as needed.

(c) In addition to above, Members may choose to elect one (1) member representative from each of the competitive programs at the Annual General Meeting. If elected, these member representatives will serve as ex-officio non-voting members of the Board of Directors. Member representatives shall not be appointed as Officers of the Corporation. These member representatives will serve a one (1) year term and will stand for election at the Annual General Meeting.

IV.04 Term

(a) Directors shall hold office for a term of two (2) years commencing on the date of election and concluding at the next Annual Meeting following the conclusion of such 2-year period. Directors may serve for a maximum of three (3) consecutive terms, provided that they are duly elected by the Members for subsequent terms.

(b) Prior to taking office, all Directors shall sign a consent to act as Director which shall be maintained in the corporate records of the Corporation.

(c) Notwithstanding the foregoing, the following exceptions shall apply to the generally applicable term limits for directors:

(i) The Chair may remain on the board for one year provided they fill the Officer position of Past Chair, despite having served three consecutive terms.

(ii) Where a Director is appointed to fill the unexpired portion of a term where a vacancy has occurred, the portion of this partial term will be considered to be in addition to the six-year term limit.

(iii) A Director may seek re-election following a period of one (1) year absent from the Board regardless of whether the Director was removed, voluntarily resigned or retired.

IV.05 Nomination Process

(a) The Board shall, at least 60 days, but not more than 90 days prior to the Annual Meeting:

(i) Notify the Members in writing that nominations for election to the Board may be made in writing to the Chair at anytime prior to the 30th calendar day prior to the date set for the Annual meeting; and

(ii) Form a nominations committee made up of Directors to receive and review nominations from Members and to actively recruit and nominate eligible candidates for any vacancy on the Board.

(b) Any two (2) Members of the Corporation, who are not a nominee being named, who are not in default in the payment of any fees owing to the Corporation, and who are otherwise in good standing, may nominate in writing one or more candidates for election to the Board by submitting such nomination in writing to the Chair or such other Director as may be appointed by the Board for such purpose.

(c) Nominations may also be made by an Ordinary Resolution passed at a Meeting of the Board.

(d) The Board shall provide the list of eligible candidates along with the notice of the annual meeting no less than ten (10) days prior to the date set for such meeting.

IV.06 Vacancies

The office of a Director shall be vacated immediately:

(a) The Director ceases to be a Member of the Corporation;

(b) If the Director resigns office by written notice to the Secretary, which resignation shall be effective at the time it is received by the Secretary or at the time specified in the notice, whichever is later;

(c) By Special Resolution of the Board, if the Director is found to have violated these by-laws, the Act, Governance Policy, or any by-laws, policies or regulations of Gymnastics Ontario or Gymnastics Canada following an investigation in accordance with any disciplinary procedures governing the Board.

(d) If the Director has not attended at least fifty-percent (50%) of the Meetings of the Board in the immediately preceding four months without leave of the Chair, and the Board passes an Ordinary Resolution removing the Director;

(e) If the Director dies, or becomes bankrupt;

(f) If the Director has been found under the Substitute Decisions Act, 1992 or under the Mental Health Act to be incapable of managing property.

(g) If, at a meeting of the Members, a resolution is passed by at least a majority of the votes cast by the Members removing the Director before the expiration of the Director's term of office.

IV.07 Filling Vacancies

(a) A vacancy on the Board that occurs prior to the end of a Directors term, for any reason, may be filled by Ordinary Resolution of the Board, and any Director so appointed shall be eligible to stand for nomination at the next Annual Meeting.

(b) In the event that the number of Directors falls below the minimum required by the Act, these By-laws, or a minimum number set by Special Resolution of the Members, the remaining Directors shall, by Ordinary Resolution, appoint as many Directors as may be required to meet such minimum number.

(c) If the vacancy occurs as a result of the members removing a Director, the Members may fill the vacancy by ordinary resolution and any Director elected to fill the vacancy shall hold office for the remainder of the removed Director's term, and shall be eligible to stand for nomination at the next Annual Meeting.

IV.08 Committees

(a) Subject to the limitations on delegation set out in the Act, the Board may establish any committee it determines necessary for the execution of the Board's responsibilities. The Board shall determine the composition and terms of reference for any such committee.

(b) All committees, including standing committees and ad-hoc committees shall be subject to terms of reference developed by the Board, and no committee shall make decisions which bind the Corporation without the express empowerment of the Board.

(c) A committee may be dissolved at any time by Ordinary Resolution of the Board.

(d) The Board shall appoint an Executive Director, who shall not be a Director, to manage the day to day operations of the Corporation in accordance with such job description or other rules and regulations which may be promulgated by the Board by Ordinary Resolution.

IV.09 Remuneration of Directors

The Directors shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from occupying the position of Director; subject to the following:

- (a) Directors may be reimbursed for reasonable expenses they incur in the performance of their Directors' duties;
- (b) Directors may be paid remuneration and reimbursed for expenses incurred in connection with services they provide to the Corporation in their capacity other than as Directors, provided that the amount of any such remuneration or reimbursement is:
 - (i) considered reasonable by the Board;
 - (ii) approved by the Board for payment by resolution passed before such payment is made; and
 - (iii) in compliance with the conflict of interest provisions of the Act; and
- (c) Notwithstanding the foregoing, no Director shall be entitled to any remuneration for services as a Director or in other capacity if the Corporation is a charitable corporation, unless the provisions of the Act and the law applicable to charitable corporations are complied with, including Ontario Regulation 4/01 made under the Charities Accounting Act.

SECTION V. MEETINGS OF DIRECTORS

V.01 Calling of Meetings

- (a) Meetings of the Directors may be called by the Chair, or any two Directors at any time and any place on notice as required by this by-law.
- (b) The Board may fix the place and time of regular Board Meetings and send a copy of the resolution fixing the place and time of such meetings to each Director, no other notice shall be required for any such meetings.

V.02 Notice

Notice of the time and place for the holding of a meeting of the Board shall be given in the manner provided in SECTION X of this by-law to every Director of the Corporation not less than seven days before the date that the meeting is to be held. Notice of a meeting is not necessary if all of the Directors are present, and none objects to the holding of the meeting, or if those absent have waived notice or have otherwise signified their consent to the holding of such meeting.

V.03 Quorum

Quorum required for the transaction of business at any Meeting of Directors shall be a majority of the Directors entitled to vote at such Meeting

V.04 Chair

The President shall preside as Chair at Board Meetings. In the absence of the President, the Vice-President shall preside. In the absence of either of the aforementioned officers, the Directors shall select one of their number to act as Chair by Ordinary Resolution.

V.05 Voting

Each Director has one vote, unless otherwise specified in these by-laws. Questions arising at any Board Meeting shall be decided by Ordinary Resolution, unless the Act or these By-Laws require a Special Resolution. The Chair shall not have a second or tie-breaking vote.

V.06 Participation by electronic means

A Director may participate in a meeting of the Board or of a committee of Directors by telephonic or electronic means that permits all participants to communicate adequately with each other during the meeting. A Director participating by such means is deemed to be present at that meeting.

V.07 Conflict of Interest

In addition to any Governance Policies regarding conflicts of interest, and any applicable common law or legislative duties, a Director who is in any way directly or indirectly interested in a contract or transaction, or proposed contract or transaction, with the Corporation shall make the disclosure required by Section 41 of the Not-for-Profit Corporations Act (Ontario). Except as provided in that section no such Director shall attend any part of a Meeting of Directors or vote on any resolution to approve any such contract or transaction.

SECTION VI. OFFICERS

VI.01 Officers

(a) The Board shall appoint from among the Directors the following Officers:

- President/Chair
- Vice-President
- Secretary
- Treasurer
- other Officers as the board of directors may determine as necessary from time to time by Ordinary Resolution.

(b) a Director may hold more than one office, save and except the office of President/chair.

(c) The Officers of the corporation shall hold office for a period of one (1) year and shall be elected by the Board from among their number at the first Meeting of the Board after the annual general meeting and elections of such board of directors, provided that in default of such election the then incumbents, being members of the board, shall hold office until their successors are elected.

(d) Any Officer shall cease to hold office upon Ordinary Resolution of the Board.

VI.02 Duties of the President/Chair

The Chair/President shall preside, when present at all Meetings of the Board and all Meetings of the Members of the Corporation and shall sign all instruments that require his/her signature. The Chair shall set the plan and priorities for the fiscal year, set the meeting agendas, and serve as liaison between the Board and the Executive Director. With the authority delegated by the full Board the President shall represent and/or act on behalf of the Corporation. The Chair shall see to it that all resolutions of the Board are carried into effect or such other duties as may be required by law or as the Board may determine from time to time.

VI.03 Duties of the Vice-President

The Vice President shall perform all duties of the President/Chair in case of absence of or delegation by the President or inability of the President to act. The Vice-President shall support the President and the Treasurer in the performance of his or her duties, and shall perform such other duties as the Board may determine from time to time.

VI.04 Duties of the Secretary

The Secretary shall be responsible for maintaining the minutes of the Meetings of the Corporation, and ensuring the Corporation's compliance with the law. The Secretary shall attend all meetings of the board of directors and record all facts and minutes of all proceedings in the books kept for that purpose. The Secretary shall give all notices required to be given to members and to directors. The Secretary shall be the custodian of the seal of the Corporation and of all books, papers, records, correspondence, contracts and other documents belonging to the Corporation which shall be delivered up only when authorized by a resolution of the Board to such person or persons as may be named therein, and shall perform such other duties as may from time to time be determined by the board of directors.

VI.05 Duties of the Treasurer

The Treasurer shall have a demonstrated ability to manage the day to day finances of the corporation through professional work experience in finance or accounting and/or a related professional designation. Should the elected directors not have the experience amongst their members they will appoint an interim treasurer until such time as they can seek a member first from within the membership and then if unsuccessful, from outside the Board pursuant to section IV.03 (b). The Treasurer, or person performing the usual duties of a Treasurer, shall keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account and shall deposit all monies or other valuable effects in the name and to the credit of the Corporation in such bank or banks as may from time to time be designated by the board of directors. The Treasurer shall disburse the funds of the Corporation under the direction of the Board, taking proper vouchers therefore and shall render to the Board an account of all transactions as Treasurer, and of the financial position of the Corporation. The Treasurer shall also perform such other duties as may from time to time be determined by the board of directors. The Treasurer, or person performing the usual duties of a Treasurer, shall keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account and shall deposit all monies or other valuable effects in the name and to the credit of the

Corporation in such bank or banks as may from time to time be designated by the board of directors. The Treasurer shall disburse the funds of the Corporation under the direction of the Board, taking proper vouchers therefore and shall render to the Board an account of all transactions as Treasurer, and of the financial position of the Corporation. The Treasurer shall also perform such other duties as may from time to time be determined by the board of directors.

SECTION VII. PROTECTION OF DIRECTORS AND OFFICERS

VII.01 Protection of Directors and Officers

No Director, Officer or committee member of the Corporation is be liable for the acts, neglects or defaults of any other Director, Officer, committee member or employee of the Corporation or for joining in any receipt or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by resolution of the Board or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the money of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or Corporation with whom or which any moneys, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his or her respective office or trust provided that they have:

- (a) complied with the Act and the Corporation's articles and By-laws; and
- (b) exercised their powers and discharged their duties in accordance with the Act.

VII.02 Indemnity

Every director or officer of the Corporation or other person who has undertaken or is about to undertake any liability on behalf of the Corporation or any company controlled by it and their heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation, from and against;

(a) all costs, charges and expenses which such director, officer or other person sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against him or her, or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him or her, in or about the execution of the duties of his or her office or in respect of any such liability;

(b) all other costs, charges and expenses which he or she sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his or her own fraud, wilful neglect or default or breach of fiduciary duty.

SECTION VIII. MEMBERS

VIII.01 Members

Members shall be entitled to receive notice of, attend and vote at all Meetings of the Members of the Corporation. Members shall be defined as:

- i. Individuals registered as participants in any current competitive season of the Corporation, or one (1) designated parent/guardian of such individual, if the individual is under 18 years of age; and
- ii. Coaches currently employed by the Corporation, who have received a remuneration/ wages within 30 days of any Meeting, provided such coach is at least 18 years of age.

VIII.02 Membership

All Memberships in the Corporation shall be non-transferrable and shall terminate as follows:

- (a) The Member enrolls in gymnastics activities with another gymnastics club within the Regional Municipality of Niagara without the permission of the Board or ceases to be employed by the Corporation;
- (b) The Member voluntarily withdraws from participation in the Corporations' activities by confirming such withdraw in writing or by failing to attend scheduled practices or competitions without valid excuse;
- (c) At the end of each annual session, as defined by Gymnastics Ontario, for which the Member has paid the required fees and dues and has maintained their Membership in good standing as required by these by-laws, unless such Member has renewed their Membership for the following session.
- (d) The Member dies;
- (e) The Member is suspended in accordance with these by-laws, or is suspended by Gymnastics Ontario or Gymnastics Canada; or
- (f) Otherwise in accordance with the Act.

VIII.03 Discipline of Members

(a) Upon 15 days' written notice to a Member, the Board may pass a resolution authorizing disciplinary action or the termination of membership for violating any provision of the Corporation's letters patent, any by-laws of the Corporation, or any rule, policy or regulation made widely known by the Board from time to time.

(b) The notice shall set out the reasons for the disciplinary action or termination of membership, the Member receiving the notice shall be entitled to give the Board a written submission opposing the

disciplinary action or termination not less than 5 days before the end of the 15-day period. The Board shall consider the written submission of the Member before making a final decision regarding disciplinary action or termination of Membership.

SECTION IX. Members Meetings

IX.01 Annual Meeting

The annual meeting shall be held on a day and at a place within the City of St. Catharines, fixed by the Board. Any Member, upon request, shall be provided, not less than 21 days or other number of days prescribed in regulations before the annual meeting, with a copy of the approved financial statements, auditor's report or review engagement report and other financial information required by the By-laws or articles.

(a) The business transacted at the annual meeting shall include:

(i) receipt of the agenda;

(ii) receipt of the minutes of the previous annual and subsequent special meetings (if any);

(iii) consideration of the financial statements;

(iv) report of the auditor or person who has been appointed to conduct a review engagement;

(v) reappointment or new appointment of the auditor or a person to conduct a review engagement for the coming year;

(vi) election of Directors; and (vii) such other or special business as may be set out in the notice of meeting.

(b) No other item of business shall be included on the agenda for annual meeting unless a Member's proposal has been given to the secretary prior to the giving of notice of the annual meeting in accordance with the Act, so that such item of new business can be included in the notice of annual meeting.

IX.02 Special Meetings

The Directors may call a special meeting of the Members by Special Resolution. The Board shall convene a special meeting on written requisition of not less than one-tenth of the Members for any purpose connected with the affairs of the Corporation that does not fall within the exceptions listed in the Act or is otherwise inconsistent with the Act, within 21 days from the date of the deposit of the requisition.

IX.03 Notice

Subject to the Act, not less than 10 and not more than 50 days' written notice of any annual or special Members' Meeting shall be given in the manner specified in the Act to each Member and to the auditor or person appointed to conduct a review engagement. Notice of any meeting where special business will be transacted must contain sufficient information to permit the Members to form a reasoned judgment on the decision to be taken. Notice of each meeting must remind the Member of the right to vote by proxy. The record date for the determination of Members entitled to notice of any Meeting shall be the close of business on the day immediately before the notice is given.

IX.04 Proxy

In accordance with the Act, every Member entitled to vote at a Meeting may appoint a proxy holder, who shall be a Member entitled to vote at such Meeting, as the Member's nominee to attend and act at the meeting in the manner, to the extent, and with the authority conferred by the proxy. Any proxy given is only valid if:

- (a) It is signed by the Member, or the Member's duly appointed attorney;
- (b) It is used at the Meeting for which it was specifically given;
- (c) The Member giving such Proxy does not physically attend the Meeting for which the proxy was given; and
- (d) It has not been revoked by the Member giving such proxy by delivery of a signed revocation to the Corporation at its head office prior to the Meeting.

IX.05 Quorum

The quorum required for the transaction of business at any Members' Meeting is a majority of the Members entitled to vote at the Meeting, whether present in person or by proxy. If a quorum is present at the opening of a meeting of the Members, the Members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

IX.06 Chair

The President shall be the chair of the Members' Meeting; in the Chair's absence the Vice-President shall act as Chair; in the event that neither the President or Vice-president is present, the Members shall choose another Director to act as Chair by Ordinary Resolution.

IX.07 Voting

Business arising at any Members' meeting shall be decided by a majority of votes unless otherwise required by the Act or the By-law provided that:

- (a) each Member shall be entitled to one vote at any meeting;
- (b) votes shall be taken by a show of hands among all Members present and the chair of the meeting, if a Member, shall have a vote;
- (c) an abstention shall not be considered a vote cast for purposes of calculating a majority;
- (d) before or after a show of hands has been taken on any question, the chair of the meeting may require, or any Member may demand, a written ballot. A written ballot so required or demanded shall be taken in such manner as the chair of the meeting shall direct;
- (e) if there is a tie vote, the chair of the meeting shall require a written ballot, and shall not have a second or casting vote. If there is a tie vote upon written ballot, the motion is lost; and
- (f) whenever a vote by show of hands is taken on a question, unless a written ballot is required or demanded, a declaration by the chair of the meeting that a resolution has been carried or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

IX.08 Persons entitled to be present

(i) The only persons entitled to attend a Members' meeting are the Members, the Directors, the auditors of the Corporation (or the person who has been appointed to conduct a review engagement, if any) and others who are entitled or required under any provision of the Act or the articles to be present at the meeting. Any other person may be admitted only if invited by the Chair of the meeting or with the majority consent of the Members present at the meeting.

(ii) Any person with a child/ward enrolled in any program of the Corporation as at the date of the Annual General Meeting may make a request to the Chair for permission to attend the Annual General Meeting.

SECTION X. NOTICE

X.01 Service

Any notice required to be sent to any Member or Director or to the auditor or person who has been appointed to conduct a review engagement shall be provided by telephone, delivered personally, or sent by prepaid mail, facsimile, email or other electronic means to any such Member or Director at their latest address as shown in the records of the Corporation and to the auditor or the person who has been appointed to conduct a review engagement at its business address, or if no address be given then to the last address of such Member or Director known to the secretary; provided always that notice may be waived or the time for the notice may be waived or abridged at any time with the consent in writing of the person entitled thereto.

X.02 Computation of Time

Where a given number of days' notice or notice extending over any period is required to be given, the day of service or posting of the notice shall not, unless it is otherwise provided, be counted in such number of days or other period.

X.03 Error or Omission in Giving Notice

No error or accidental omission in giving notice of any Board meeting or any Members' meeting shall invalidate the meeting or make void any proceedings taken at the meeting.

SECTION XI. AMENDMENT

XI.01 Amendments

The Board may, by Ordinary Resolution, make, amend or repeal any by-law that regulates the activities of the Corporation except in respect of any matter which, under the Act, requires a Special Resolution of the Members. The Members may amend this by-law by a majority of votes cast at a Meeting.

XI.02 Approval

Any changes to the by-laws of the Corporation shall be submitted to the Members at the next Meeting of the Members and the Members may confirm, reject, repeal or amend such by-law by ordinary resolution.

Enacted as of the ___ day of _____, 2020 by the Board of Directors:

Signed _____

President Secretary

Approved by the Members on the ___ day of _____, 2020

Certified by: _____

President Secretary



**FINANCIAL
REPORT**



NICOLE HENDERSON
Professional Corporation
CHARTERED PROFESSIONAL ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of GYMNASTICS ENERGY TRAINING CENTRE INC.

Qualified Opinion

I have audited the accompanying financial statements of GYMNASTICS ENERGY TRAINING CENTRE INC., which comprise the financial position as at August 31, 2019, and the statement of operations and changes in net assets and cash flow statement for the year then ended August 31, 2019, and a summary of significant accounting policies and other explanatory information.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the GYMNASTICS ENERGY TRAINING CENTRE INC. as at August 31, 2019 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 Qualified Opinion

In common with many non-for-profit organizations, the GYMNASTICS ENERGY TRAINING CENTRE INC. derives part of its revenue from community facility usage, fundraising and other revenue and bingo revenue, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the organization and I was not able to determine whether, as at and for the years ended August 31, 2019 and August 31, 2018, any adjustments might be necessary to revenue, excess of expenditures over revenue, assets and net assets. This caused me to qualify my audit opinion on the financial statements for the year ended August 31, 2018.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of Financial Statements section of my report. I am independent of the GYMNASTICS ENERGY TRAINING CENTRE INC. in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

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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 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 GYMNASTICS ENERGY TRAINING CENTRE INC.'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 GYMNASTICS ENERGY TRAINING CENTRE INC. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the GYMNASTICS ENERGY TRAINING CENTRE INC.'s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 GYMNASTICS ENERGY TRAINING CENTRE INC.'s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor's Responsibilities for the Audit of the Financial Statements (con'd)

- 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 GYMNASTICS ENERGY TRAINING CENTRE INC.'s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the GYMNASTICS ENERGY TRAINING CENTRE INC. 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.

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



NICOLE HENDERSON
PROFESSIONAL CORPORATION
Authorized to practice public
accounting by the Chartered
Professional Accountants of Ontario

February 12, 2020
St. Catharines, Ontario



NICOLE HENDERSON
Professional Corporation
CHARTERED PROFESSIONAL ACCOUNTANT

GYMNASTICS ENERGY TRAINING CENTRE INC.
Statement of Financial Position as at August 31, 2019

	2019	2018
ASSETS		
Current		
Cash	\$399,861	\$590,716
Short-term investment (note 3)	50,092	50,130
Accounts receivable	45,875	45,202
Prepaid expense	41,092	42,694
	<u>536,920</u>	<u>728,742</u>
Capital assets (note 4)		
Gym equipment	309,430	274,129
Office equipment	17,910	10,295
Leasehold improvements	15,897	12,253
	<u>343,237</u>	<u>296,677</u>
Less: accumulated amortization	<u>252,442</u>	<u>228,022</u>
	90,795	68,655
	<u>\$627,715</u>	<u>\$797,397</u>

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable and accrued liabilities	\$104,638	\$36,404
Employee deductions payable	-	18,510
Deferred registration revenue (note 6)	341,735	370,706
Deferred revenue - other	225	375
	<u>446,598</u>	<u>425,995</u>
Net Assets	181,117	371,402
Commitments (note 7)		
Contingent Liabilities (note 8)		
	<u>\$627,715</u>	<u>\$797,397</u>

See accompanying notes to the financial statements

On Behalf of the Board of Directors:

Director: _____

Director: _____

GYMNASTICS ENERGY TRAINING CENTRE INC.

Statement of Operations and Changes in Net Assets for the year ended August 31, 2019

	2019	2018
Revenue:		
Registration revenue	\$868,714	\$960,670
Host meet revenue	86,098	115,563
Day camps	68,076	54,964
Training camps	61,435	62,989
Community facility usage	47,035	43,274
Sponsorship revenue	19,900	16,000
Grant revenue	-	750
Fundraising and other revenue	40,464	35,478
Bingo revenue	16,009	15,513
	<u>1,207,731</u>	<u>1,305,201</u>
Operating Expenses:		
Advertising and promotion	10,591	7,294
Bad debt expense	2,634	35,027
Bank and credit card fees	43,839	44,081
Contracted administrative services	7,524	15,524
Fundraising expenses	23,585	17,940
Gym supplies	18,411	15,316
Host meet expenses	32,771	58,676
Insurance	9,040	9,639
Memberships and fees	54,655	62,126
Office expenses	13,002	8,913
Professional fees	17,306	6,624
Rental of facilities	268,787	224,407
Repairs and maintenance	45,138	24,841
Telephone	1,573	1,688
Training	14,242	7,342
Utilities	48,105	38,691
Wages and benefits	762,393	618,160
	<u>1,373,596</u>	<u>1,196,289</u>
Excess of revenue over expenditures (expenditures over revenue) before capital items	(165,865)	108,912
Capital Items (expense):		
Depreciation expense	(24,420)	(17,525)
	<u>(24,420)</u>	<u>(17,525)</u>
Excess of revenue over expenditures (expenditures over revenue)	(190,285)	91,387
Net assets, beginning of the year	371,402	280,015
Net assets, end of the year	\$181,117	\$371,402

See accompanying notes to the financial statements

GYMNASTICS ENERGY TRAINING CENTRE INC.
Statement of Cash Flows for the year ended August 31, 2019

	2019	2018
Cash flows from operating activities		
Excess of revenue over expenditures (expenditures over revenue)	(\$190,285)	\$91,387
Items not affecting cash:		
Depreciation expense	24,420	17,525
Changes in non-cash working capital:		
Accounts receivable	(673)	24,446
Prepaid expenses	1,602	812
Accounts payable and accrued liabilities	68,234	(13,581)
Employee deductions payable	(18,510)	(1,046)
Deferred registration revenue	(28,971)	(39,068)
Deferred revenue - other	(150)	(1,839)
Net cash provided by (used in) operating activities	(144,333)	78,636
Cash flows from investing activities		
Purchase of capital assets	(46,560)	(29,749)
Net cash used in investing activities	(46,560)	(29,749)
Net increase (decrease) in cash	(190,893)	48,887
Cash and cash equivalents at the beginning of the year	640,846	591,959
Cash and cash equivalents at the end of the year	\$449,953	\$640,846
Cash and cash equivalents consist of:		
Cash	\$399,861	\$590,716
Short-term investments	50,092	50,130
	\$449,953	\$640,846

See accompanying notes to the financial statements

GYMNASTICS ENERGY TRAINING CENTRE INC.

Notes to Financial Statements

Year Ended August 31, 2019

1. Purpose of the Organization

Gymnastics Energy Training Centre Inc. is incorporated under the laws of Ontario without share capital and operates as a non-profit organization. The purpose of the organization is to organize and operate gymnastic activities at recreational and competitive levels. The organization became incorporated under letters patent on July 1, 2017 and carried on the operations of the previously unincorporated organization.

2. Summary of Significant Accounting Policies

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

(a) Revenue Recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Registration fees and camps are recognized as revenue when the sessions are held. Fundraising and host meet revenue is recognized as revenue when the events are held.

(b) Cash and Cash Equivalents

The organization's policy is to present bank balances under cash and cash equivalents.

(c) Capital Assets

Capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Depreciation is provided on a straight-line basis over the assets' estimated useful lives as follows:

	Rate	Basis
Gym equipment	5 years	Straight-line
Office equipment	5 years	Straight-line
Leasehold improvements	15 years	Straight-line

When a capital asset no longer has any long-term service potential to the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Any write-down recognized is not reversed.

GYMNASTICS ENERGY TRAINING CENTRE INC.

Notes to Financial Statements

Year Ended August 31, 2019

2. Summary of Significant Accounting Policies (con'd)

(d) Contributed Services

Contributed services are not recognized in the financial statements due to the difficulty of determining their fair value.

(e) Income Tax Provision

The organization does not provide for income taxes under existing legislation as it is organized and operated exclusively for recreational purposes and no part of income is available for the personal benefit of any of its members.

(f) Use of Estimates

The preparation of the organization's financial statement 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 and the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from such estimates.

(g) Financial Instruments

Measurement

The organization initially measures its financial assets and financial liabilities at fair value.

The organization subsequently measures all its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash, short-term investments and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

For financial assets subsequently measured at cost or amortized cost, the organization regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the organization determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

GYMNASTICS ENERGY TRAINING CENTRE INC.

Notes to Financial Statements

Year Ended August 31, 2019

3. Short-Term Investment

The short-term investment is a GIC which is redeemable on it's anniversary date, bear interest at 1.3% and matures on July 11, 2020.

4. Capital Assets

	Cost	Accumulated Amortization	Net Book Value 2019	Net Book Value 2018
Gym equipment	\$309,430	\$242,613	\$66,817	\$52,019
Office equipment	17,910	7,744	10,166	5,319
Leasehold improvements	15,897	2,085	13,812	11,317
	<u>\$343,237</u>	<u>\$252,442</u>	<u>\$90,795</u>	<u>\$68,655</u>

5. Line of Credit

The organization has a credit facility consisting of an operating line of credit in the amount of \$15,000. The operating line of credit bears interest at a floating rate of prime +2.0%, monthly payments consist of interest only and the principal is due on demand and is secured by a general security agreement over the total assets of the organization. The balance on the operating line at the year end is nil.

6. Deferred Registration Revenue

Deferred registration revenue represents monies collected as at the year end for sessions to be held subsequent to year end. This revenue is realized when the sessions are held.

	2019	2018
Balance, beginning of year	\$370,706	\$409,774
Received during the year	341,735	370,706
Realized during the year	(370,706)	(409,774)
Balance, ending of year	<u>\$341,735</u>	<u>\$370,706</u>

GYMNASTICS ENERGY TRAINING CENTRE INC.

Notes to Financial Statements
Year Ended August 31, 2019

7. Commitments

The organization is party to a lease agreement for its premises. The lease commenced January 1, 2017 and is for a period of fifteen years and expires December 31, 2031. The monthly lease payment is \$12,500 monthly plus a portion for TMI and HST. The following are the lease payments required for the next five years:

2020	\$254,250
2021	\$254,250
2022	\$261,784
2023	\$265,550
2024	\$265,550

The organization entered into an agreement with a third party on January 9, 2017 to sub-lease a portion of its premises. The agreement requires that Gymnastics Energy Training Centre receive monthly payments of \$1,900 for the first two years and \$1,700 plus a portion of TMI for the remaining three years, and expires January 8, 2022.

Office equipment is leased under agreement with payments currently totalling \$1,188 (plus sales taxes) per year.

8. Contingent Liabilities

There is an outstanding claim that originated from an incident in November, 2015, and remains in progress. As at the auditor's report date, the outcome of this claim is not determinable.

An athlete has filed a claim against the organization for a human rights violation. As at the auditor's report date, the organization has indicated that the final outcome of the claim is not determinable.

9. Financial Instruments

The organization is exposed to various risks through its financial instruments.

Credit risk

For accounts receivable, the organization assesses, on a continuous basis, amounts receivable on the basis of amounts it is virtually certain to receive based on their estimated realizable value. The organization is also exposed to concentration risk in that cash is held at a financial institution in excess of Canadian Deposit Insurance Corporation Limits.

9. Financial Instruments (con'd)

Liquidity risk

Liquidity risk is the risk of being unable to meet cash requirement obligations as they come due. The organization manages its liquidity risk by constantly monitoring forecasted and actual cash flows and financial liability maturities, and by holding assets that can be readily converted into cash.

10. Comparative Information

Certain comparative information from 2018 have been reclassified to conform to the presentation adopted for 2019.

2019/20 GRANTS AT A GLANCE

Gymnastics Energy is currently waiting to see if we are approved for the grant from the Canadian Red Cross - COVID-19 Community Support Program- Granting Program for Non-Profits.

Submitted in July by BOD.

Community Foundations of Canada: Investment Readiness Program (IRP) \$52K applied for to set up inclusive programming for children/youth with Autism. Covid19 has delayed the Grant and new program development potential

Submitted in Feb 2020 by Trianda Birmingham + Dianne/BOD

Other government programs Gymnastics Energy Finance BOD have applied to include:

CEBA - received (Interest free loan with 1/4 forgivable)

CERCA- received (Rent Reduction Program)

CEWS- wage subsidy (first submission prepared for June-August)

The organization plans to apply for the grant from the Trillium Foundation with an application deadline of December 2nd 2020.

MAG REPORT

Challenges seem to arise most years for our amazing Men's Program. As most of you know it is a challenge trying to grow our MAG community when we are understaffed in this area on a Provincial level. As the only Niagara gym offering a MAG program we are challenged with recruiting experienced MAG coaches externally.

We are so grateful for Energy's own, new CIT's and newly qualified and trained MAG coaches which have been incredibly helpful to future growth.

A special note of thanks to Kevin Letwin and Trianda Birmingham. Both bring to Energy an incredible amount of passion and experience. Kevin has been filling a large hole for our MAG 16 hour Provincial boys, he has motivated, mentored, kicked some you know what and been an incredible role model for our athletes. His hands only rope climbing skills are legendary. We are grateful he continues to train our boys while we continue to seek a new MAG coach.

Trianda Birmingham returned to the gym to support MAG program development, assist with communications and recruitment. She also took on the dual coaching role while training new coaches. We are grateful for her contributions and look forward to seeing her continue to support the MAG program. I think a note about our dedicated MAG coaches, Carly, Olivia and Joylynn continue to grow in their coaching skills and levels and with the addition of Olivia becoming a MAG judge it will really help the program.

Other successes relate to overall gym atmosphere. The change in logo usage to the stacked Energy Gymnastics text only, removing the female icon has been a supportive move to more inclusive presentation of gymnastics for all.

The development of a gym Mission, Vision & Values provides a strong foundation for Men's Gymnastics to thrive at Energy.

Additional Successes

- Safe shut down and return to practice.
- Transitioning through multiple bod personnel changes.
- Maintaining continuity for MAG representation on the BOD.

Challenges

- Financial issues for the gym operations
- A global pandemic halting the economy
- Staff changes
- No dedicated MAG lead/head coach
- Lack of communication from administration

2020/21 BOARD NOMINEES

DIRECTORS (2 YR TERM)

Dave Chuchman

Justine Marsh

Cindy Pfeffer

Stacey Tallman

MAG REP (1 YR TERM)

Tara Becevel

Dave Chuchman

Melissa Shaw

WAG REP (1 YR TERM)

Amila Bajramovic

Dianne Kirwin

2020/21 BOARD NOMINEE BIOS

DIRECTORS (2 YR TERM)

Dave Chuchman *(also running for MAG rep)*

Hello everyone, my name is Dave Chuchman and my son William is a participant in the MAG program. I am excited to be nominated for a position on the board of directors as I look forward to becoming an important voice for the gymnastics club. I have been involved in gymnastics almost all of my life, only recently joining Gymnastics Energy. I have been a teacher for 21 years and have run the gymnastics program at my school. As a late teenager I also coached gymnastics at Sparks gymnastics club.

During that time, I was also a gymnast.

I feel I would be a good fit for the Board of Directors as I understand children very well. Also, as I mentioned earlier, I have worked in a school for many years and understand that there is lots of work to do to run a large organization. I hope many of you will consider me for a position on the board, and I look forward to becoming a larger participant at Gymnastics Energy.

Justine Marsh

Married to Troy for 21 years

2 Children: Ethan (17) and Kate (10)

Work

Registered Respiratory Therapist

Medigas, Praxair Canada Inc.

1995-present

District Manager for St. Catharines, Hamilton, Guelph, Cambridge

Manage Healthcare professionals, inside sales, customer services teams within each store

Gymnastics

- Daughter, Kate, has been part of the gymnastics

energy family for 6+ years. Recreation to ODP to WAG Competitive Program

- On Bingo Committee for 2 years
- Former Competitive gymnast

Skills to bring to Gymnastics Energy

- passionate about sport of gymnastics
- excellent communication skills
- excellent listener
- ability to see the big picture
- conflict resolution
- ability to work with others

Cindy Pfeffer

Hi! I'm Carter's mom.

My name is Cindy Pfeffer, and my son Carter has been an athlete with Gymnastics Energy for eight years. When Carter started his gymnastics career, I didn't know much about the sport. But I got a crash course in 2014, when I joined the Board of Directors. It wasn't always easy, but I'm proud of our efforts to secure a new home for the gym.

After few years away, I'm ready to put my skills to work for the board again.

Why I want to be part of the Board of Directors

Like many of your children, Carter looks at the gym as his second home, and his teammates and coaches as his extended family. I want to do everything I can, to ensure that continues, not just for my son, but for all athletes.

What I will bring to the Board of Directors

Commitment to transparency and accountability
Gymnastics Energy cannot exist without members who spend their hard-earned money sending their children to gymnastics. I strongly believe that members deserve to be treated with respect and be informed about what is happening in their organization.

In my professional life, I have gained knowledge and

experience that can benefit Gymnastics Energy and the Board of Directors.

Management

- Managed a multi-disciplinary team to execute high-profile projects and events in the public sector, including department and project budgets.

Human Resources

- Understanding of and experience with employment legislation, recruitment, hiring and terminations

Training and development

Developed and delivered employee training on several topics including:

- Supervisor development
- Workplace harassment
- Accessibility
- Team building

Employee performance

- Developed and executed employee performance evaluation and management programs.

If elected, it would be my pleasure to use my skills and abilities to ensure Gymnastics Energy remains a strong organization, dedicated to supporting all athletes in pursuit of the sport of gymnastics.

Stacey Tallman

My name is Stacey Tallman and my athlete is Jorja. Our family has had an athlete (3 of them over time) in the gym for 13 years now. I have a daughter who was a coach for a short period of time, and Jorja is currently in the optional class.

I have served on a number of committees in Executive roles. As I have served in these roles, I have gained extensive experience with event planning, fundraising, and volunteer co-ordination.

My goals are big ones, but I believe we have the foundation, and the time to accomplish them. I've been around a long time and I have seen a lot come and go. I'd like to see the gym grow and thrive as it

once did. I'd like to see the MAG program develop as it's the only one in the Niagara region. I'd like to see tumbling and trampoline make a come back, and of course there is our rhythmic program as well develop an Excel & Aspire program. We cannot run a thriving competitive program without a thriving recreational program to support that. This all together adds diversity to Energy that members cannot find collectively in any other club in the drivable distance.

I understand the commitment, and dedication required to support a large business. I am prepared to give my Energy this year to Gymnastics Energy!

MAG REP (1 YR TERM)

Tara Becevel

Hi Team Energy!

I'm Tara, running for MAG representative.

This will hopefully be my third year in a row. This year more than ever MAG needs a strong advocate on the board. I have been, and will continue to be that advocate. The continued existence of our MAG program is a concern. This is my child's sport, his thing. It's been my thing now for 2 years. I really want to keep this thing going and that means contributing to the functioning of the board so that all programs can grow and be successful.

Although I am a "boys mom" there is no boys program without WAG, rec, rhythmic, and any other discipline of gymnastics we can grow in Niagara.

Equality has also been a focus for me. I don't believe we should limit possibilities for our children based

on gender. We should strive as a community gym to make gymnastics more accessible for all children regardless of gender, culture or economics. I would like to continue this work in my next term.

We have an incredible facility and we can continue to thrive if we work together.

I bring experience and passion to this role.

My nursing background was an asset this past year in decision making and planning during the COVID crisis. COVID isn't over and I am confident I can continue to be a resource to the gym this year.

I hope you will vote for me to represent MAG and advocate for the success and growth of all our gymnasts, coaches, and staff.

Stay safe!

Melissa Shaw

Who Am I?

My name is Melissa Shaw, or Kairi and Owen's Mom, and I am running for the position of MAG liaison. I am currently on the Board as the WAG liaison and have helped with the Secretary role. Our family has been members of Gymnastics Energy since 2007 and we absolutely love it. I run a home daycare, am a Pathfinder leader, on Parent Council of my children's school, run my Volleyball team, am the treasurer of my Softball team, and am the District Deputy President of the Rebekah Lodge for Niagara. I love getting involved in a variety of activities.

Last Year...

Last year was my first year on the Board and wow, was it a lot of learning. I finally feel like I know what's

going on and my time may be up. It was rewarding to be apart of so many new changes happening at the gym. I helped create the By-Laws, helped with the Mission, Vision, Values statements and helped navigate gymnastics during a pandemic. I was the liaison for the Fundraising Committee and had a great time working with our small yet amazing group.

Looking Ahead...

I am really hoping to be the voice of MAG next year and help grow the program. We are the only men's competitive gymnastics team in the Niagara Region and I believe we really need capitalize on that. I am also willing to step up and help out in any way that the Board and club would need me.

WAG REP (1 YR TERM)

Dianne Wright-Kirwin

Hi everyone! I'm Ruby (Pickle) Kirwin's mom.

Ruby has been an athlete with Gymnastics Energy for approx. 5 years. This past year was my first board term and my areas of interest and expertise are communications, partnership & community relations, social media & strategy development.

My current & past board experience includes:

- Design for New Tomorrow: BOD 2016 – to date
- Greater Niagara Chamber of Commerce (GNCC) 2015-2017
- Concord Soccer Club – 2014-2017
- Mayor's Poverty Eradication Sub-Committee 2016 – 2019
- Gymnastics Energy Fundraising Committee chair + Gala chair 2018/19

Why I am running for 1 more year on the Board

This past year the board has experienced many changes. Conflict and conflict resolution required a significant amount of board time, with carryover of significant issues from previous year. It was both challenging and rewarding to get to the end of this year having resolved many issues and developed

a solid vision forward through collaboration. My role was focused on improving communications. I would like to dedicate 1 more year to the board in order to support the goals and objectives that were commenced. As a board we have been making every effort to operate with transparency, efficiency and an open door. My basic philosophy is:

Happy Coaches make Happy Athletes = Happy Athletes make Happy Parents.

What I bring to the Board & this past year's accomplishments:

- Commitment to transparency, accountability + improved communications
- Strategy development + training
- Mission, Vision, Values development
- Launch of new website, continued improvements to communications
- Launch of social community, engaging parents, athletes and coaches
- Board Experience within NFP + Public Sector
- Private Sector Business Owner for almost 17 yrs



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