

the 68<sup>th</sup>  
annual general meeting of the  
**VRC** Vancouver Racquets Club

october 6, 2021



## **68th Annual General Meeting**

**October 6, 2021  
7:00 p.m.**

### **Agenda**

- 1. Call to order**
- 2. Approve Agenda for the 68th Annual General Meeting**
- 3. Approve Minutes of the 67th Annual General Meeting dated September 30, 2020 (pages 1-3)**
- 4. Auditor's Report (page 16-26)**
- 5. President's Message (page 4)**
- 6. Treasurer's Report (page 5-6)**
- 7. Planning Report (page 7)**
- 8. Annual Reports of Directors**
  - A. Badminton (page 8-9)**
  - B. Squash (page 10)**
  - C. House (page 11)**
  - D. Social (page 11)**
  - E. Fitness (page 12)**
  - F. Membership (page 13)**
- 9. Vote on awarding Marian Holoboff a Honorary Life Membership**
- 10. Ratification of Directors' Actions**
- 11. Appointment of Auditors**
- 12. Election of Officers and Directors**
- 13. Other Business**
- 14. Adjournment**

**VANCOUVER RACQUETS CLUB**  
**67<sup>TH</sup> ANNUAL GENERAL MEETING**  
**SEPTEMBER 30, 2020**

**PRESENT:**

David Sedgewick	Vice President	Michael Khoo	Badminton Director
Sarah MacKinnon	Treasurer	Frank Price	Director at Large (House)
John Grant	Executive Director/GM	Gerry Takeuchi	Director at Large (Fitness)
Sanne Dryborough	Secretary	Ana Laureano	Director at Large (Social)
Sushil Nirwal	Past President	Alex Luk	Director at Large (Badminton)
Geoff Williams	Director at Large	Yu-Hui Kiang	Director at Large
Carl McCreath	Director at Large	Fuhar Dixit	Director at Large

**ABSENT:**

Bevan Moss	President	Michael Birch	Director at Large
Leo Chester	Squash Director	Peter Tallman	Director at Large (Membership)

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**1. CALL TO ORDER**

David Sedgewick called the meeting to order at 7:12 pm.  
Members present were 17 from Badminton, 15 from Squash, and 2 from Fitness.

**2. APPROVE AGENDA**

**MOTION:**

David Sedgewick moved that the Agenda for the VRC 67<sup>th</sup> AGM, September 30, 2020 be approved. Seconded by Marian Holoboff. Passed.

**3. APPROVE MINUTES FROM THE 66<sup>TH</sup> ANNUAL GENERAL MEETING, JUNE 12, 2019**

**MOTION:**

David Sedgewick moved that the Minutes from the VRC 66<sup>th</sup> AGM, June 12, 2019 be approved. Seconded by Frank Price. Passed.

**4. AUDITOR'S REPORT**

The Auditor's Report was included in the AGM package. Don Nicholson from Grant Thornton attended the meeting and commented briefly on the Audit Report. It represented the financial position of VRC up to April 30, 2020. They found that the club had had a stable year and ended it with a surplus. The club had made a large financial commitment to renovations over 2 years. The onslaught of COVID-19 had a major effect on the club's revenue flow, but with a strong reopening plan, there is no reason for the club not to continue to move on. In reviewing the audit procedures, Don Nicholson emphasized the importance of fraud prevention techniques and warned everyone to be skeptical of odd emails seemingly from other members. Membership revenues and renovation expenses were all accounted for and all Financial Statements were deemed correct.

**MOTION:**

Sarah MacKinnon moved that the Auditor's Report be approved as presented. Seconded by Frank Price. Passed

**5. PRESIDENT'S MESSAGE**

Bevan Moss was unable to attend but his Report is included in the program on p. 5.  
David Sedgewick thanked him for doing a great job during his term as President.

## **6. TREASURER'S REPORT**

Sarah MacKinnon's Treasurer's Report is on p. 6-8. She commented briefly that revenues and expenditures at year's end on April 30, 2019 and 2020 were very similar. There will be a big difference at the end of this fiscal year. Major renovations were done to the Badminton floors, Squash courts, the Bar walk-in cooler, and the Women's change room. Membership dues were prorated from September to compensate for closures and actual Membership has been slow to return. The club has taken advantage of government subsidies to keep our staff employed. With income down and expenses up, the club will have to use some of its cash reserves to maintain operations during this year. Hopefully, by 2021 everything will be back to normal.

## **7. PLANNING REPORT**

The Planning report is on p. 9. Most of the projects have now been completed.

## **8. ANNUAL REPORTS OF DIRECTORS**

### **A. Badminton – Michael Khoo (Badminton Director) p. 10-12**

Michael commented that there had been continuous, strong participation in various programs and tournaments. Under Covid-19, the Mixed Doubles Ladder, Doubles Ladder, and Wednesday Social Mixer night have been slowly restarted, but with using time bookings and limited participation. He thanked John Grant and the VRC staff for their support of Badminton programs.

### **B. Squash – Carl McCreath & Geoff Williams (Squash Directors) p. 13**

Geoff Williams reiterated that while the year started well for Squash programming, it has been challenging to restart under COVID-19. Everyone is still trying to formulate a safe return on such close quarters. He thanked Duncan Maxwell for acting as interim pro and mentioned that they are moving forward on finding a new Squash pro for VRC. He also hopes that more Squash players will be returning as members with fall and winter coming.

### **C. House – Frank Price (House Director) p. 14**

Frank's report itemized all the renovations and improvements that have been done over the last 18 months. He thanked John Grant and the staff for their support and organization for all these projects.

### **D. Fitness – Gerry Takeuchi (Fitness Director) p. 15**

Gerry commented that Fitness was doing very well until the COVID-19 closures. Fitness was the last part of the club to reopen because of extra health concerns due to the sharing of equipment. Equipment has been spaced out and strict health and safety protocols are in place. He is hopeful that membership will increase during the fall.

### **E. Social – Ana Laureano (Social director) p. 16**

Ana emphasized that the social events were a very positive way to bring VRC members together. She hosted many different events over the year and they were well attended and enjoyed by all. She is now looking for ideas for winter functions.

### **F. Membership – Peter Tallman (Membership Director) p. 17**

Peter was unable to attend but he submitted a detailed report for the year.

John Grant gave an update on Membership up to Sept. 30, 2020.

Compared to this time last year, membership for Badminton is at 81%, Squash at 63% and Fitness at 30%.

## **9. VOTE ON AWARDING DENNIS BROWN AN HONORARY LIFE MEMBERSHIP**

Frank Price mentioned that Dennis was unable to attend the AGM due to a back injury.

He then gave a detailed list of the volunteer roles Dennis fulfilled and contributions he made since he began as a member in 1975, some of which include the following: He competed and ran the Monday and Mixed Doubles ladders for many years. He was a member of the VRC Board of Directors for 13 years holding various positions. He is a fixture in running VRC badminton tournaments and has been instrumental in introducing Tournament Software to volunteers. Outside of VRC he contributed to Badminton at UBC, regional tournaments, Badminton BC, and Masters seeding committees.

**MOTION:**

Marian Holoboff moved that Dennis Brown be awarded an Honorary Life Membership to VRC for his many years of volunteering to the club and to Badminton in general.

Seconded by Frank Price. Passed unanimously.

**10. RATIFICATION OF DIRECTORS' ACTIONS**

**MOTION:**

Tony Goodson moved that the Directors' Actions for 2019-2020 be approved.

Seconded by Daisy Lee. Passed.

**11. APPOINTMENT OF AUDITORS**

**MOTION:**

Sarah MacKinnon moved that the firm of Grant Thornton be appointed as Auditors for the next year. Seconded by Gerry Takeuchi. Passed.

**12. ELECTION OF OFFICERS AND DIRECTORS**

To expedite the proceedings, 2 separate slates were presented:

**A. Officers**

President	David Sedgewick	Vice President	Geoff Williams
Treasurer	Sarah MacKinnon	Past President	Bevan Moss
Secretary	Sanne Dryborough		

There were no additional nominations from the floor. The slate of Officers was approved.

**B. Directors (Limited to 10)**

Most of the present directors were willing to remain on the Board. 2 positions were vacant. There were 3 nominations from the floor: Hussein Salemwalla, Olivia Chang and Helena Fedoretz. Hussein and Olivia were voted in as Directors. The new Directors are:

Michael Khoo	Frank Price	Alex Luk
Ana Laureano	Gerry Takeuchi	Carl McGrath
Yu-Hui Kiang	Sushil Nirwal	Olivia Chang
Hussein Salemwalla		

David Sedgewick thanked everyone for standing for positions.

**13. OTHER BUSINESS**

Rip Peterman voiced his concern about whether VRC was doing enough to champion its cause to ensure that the City would renew its lease. Sarah Mackinnon explained that the newly finished renovations were part of the process to demonstrate to the City that VRC is a good and vibrant addition to the community. Peter Tallman also engages with the City frequently and he will be representing the club when the lease comes up for renewal.

**14. ADJOURNMENT**

The AGM meeting adjourned at 8:50 pm.

## President's Message 2020-2021

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This has been an extraordinary year for our club - both in terms of challenges but also in terms of VRC's great resiliency and community spirit.

This past year the Club has been faced with an endless array of Provincial Health Officer (PHO) directives through which we have had to pivot delivery of our services. I'm very proud that through all of these challenges the club has continued to be a valuable resource to our members while ensuring the primary focus is the health and safety of our members and employees.

Through our pivots with the PHO's orders, we as a Board have also had a chance to reflect on some of our offerings to ensure our programming and services stay relevant and meaningful to our membership. And in that regard the Board is exploring the establishment of a Fair Access Committee to review this topic in more detail.

The Board has also taken steps to improve transparency, integrity and responsibility to the membership through improvements to our website, increased communication to the membership and by publishing our Board meeting minutes in the members only area of the website.

I encourage all of our members to regularly follow the Board's work and engage with directors throughout the year so that all your voices are heard.

I'm very appreciative of all the hard work of my fellow board members and the extra volunteer hours due to the increased frequency of meetings and initiatives. I would also like to acknowledge and thank our volunteers and staff for their continued support and dedication. Our response to the challenges of this past year would not have been possible without the countless hours of volunteerism that has been generously given by so many.

**David Sedgewick**  
**President**

# Treasurer's Report 2020-2021

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## Overview of the financials of the Club for the year ended April 30, 2021

The details below overview our revenues and operating expenses for the twelve months ended April 30, 2021. It's important to note that due to COVID-19, the Club was closed to all members for the period from mid-March 2020 through to June 2020 when we commenced the gradual re-opening of our facilities. With the closure of the Club in March 2020 the Board approved a plan presented by Management to retain all employees, and to access the wage subsidy program to offset applicable wages. With the gradual re-opening of the facilities, the Board approved pro-rated membership fees for the year ended April 30, 2021 in recognition of the Club being closed for several months followed by the gradual re-opening. At the time of writing this report, the Board and Management continue to navigate through maximizing what the Club can offer to its members, while following all PHO protocols and focusing on the safety of our members and employees.

## Revenue

Total revenue for the year ended April 31, 2021, of \$613,715 was down 39% from the \$1.0 million for the prior year. The decrease in revenues was across all membership categories as the Club was closed for part of the fiscal year and therefore membership fees were pro-rated (reduced) to attract members to re-join once the Club re-opened during June 2020. Revenue was also impacted by a lower overall membership compared to the prior year. Included in the Operating Revenue was \$215,212 of government subsidies directly related to COVID and primarily based on wage subsidies. The Club qualified for these wage subsidies due to the reduction in revenues compared to the prior year. Net of the government subsidies, total revenue was \$398,503 down 59% from \$974,977 for the prior year.

In the current year revenues generated beyond the annual dues were close to nil, compared to \$279,991 for the prior year. The decline in the other revenues were due to the bar being closed for the year and no programs being offered within badminton and squash.

## Operating Expenditures

The Club's total operating expenses of \$897,447 were 10% lower than the prior year expenses of \$996,023. Excluding amortization which is a non-cash expense related to prior year capital asset additions, expenditures were \$610,981 compared to \$806,752 for the prior year. The decrease in cash expenses was due to lower bar and program expenses (note these expenses are normally offset by revenue), and lower repairs and maintenance and utilities expenses. In the current year the Board intentionally limited discretionary spending resulting in lower repairs and maintenance, and utilities expenses were lower than the prior year due to the restricted operating hours of the Club. During the current year the employees whose wages were normally reported within bar expenses were re-assigned to managing the front entrance, to ensure the Club was following required COVID protocols. This reassignment was reflected in the higher office and administration expenses compared to the prior year. In the current year, these wages were subsidized as noted above in the Revenues section of this report.

## Treasurer's Report 2020-2021 (continued)

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### Excess of revenue over expenses, excluding amortization in both years

In the current year, the expenditures of \$897,447 were \$283,732 higher than the revenues realized for the period, resulting in a deficiency. However, excluding non-cash expenses, the operations were essentially break-even, with cash revenues (including subsidies) equaling cash expenses.

### Capital Improvements

Due to the uncertainty related to COVID, the Club intentionally restricted capital investments in the current year. The total investment for the current year was \$193,122, primarily for repairing the plumbing and water damage in the women's washroom.

### Cash Flow

As at April 30, 2021 the cash balance was \$791,171 compared to \$490,583 as at April 30, 2020. The increase in cash balance in the current year is due to the impact of the 2021/2022 fiscal year membership fees. In the current year we were able to collect membership fees for the upcoming year totaling \$424,589 compared to nil for the prior year. In the prior year the Club was closed during April 2020 due to COVID-19 so membership fees were not collected for the upcoming year ended April 30, 2021.

### Looking Forward: Impact of COVID 19 on the Club's Operations

Last year in this report I noted that the upcoming year would be a challenge for the Club's operations and financial position due to the high level of uncertainty related to COVID. **I am very pleased to report that the Club has successfully managed through this challenging period. This is due to the commitment of our membership; to all of you who have shown their support for our Club by continuing to renew your membership despite the uncertainty.**

For the upcoming year, we expect our financial results to return to more normalized levels for both revenues and operating expenditures. Despite restrictions remaining in place during our annual membership renewal, we did experience a successful (under the circumstances) membership renewal at full rates. As a result, we expect to achieve dues revenues significantly higher than this year, in addition to realizing squash and badminton program revenues (and offsetting expenses). These higher revenues will be partially offset by lower government funding as these programs wind down. We are continuing to closely monitor our financial position as we work through the realities of operating a Club in this "new normal".

Welcome Back!

**Sarah MacKinnon**  
Treasurer

# Planning Report 2020-2021

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The Planning Committee met on two occasions this fiscal year. Due to the closure of the club due to Covid 19 and the restricted nature of club programs and activities once we did open, membership revenues were uncertain. As a result, we only continued with Capital Projects that were already committed to in the previous fiscal year. We used our 5 year capital planning document to review and then re-prioritize upcoming Capital Projects, moving them forward to future years.

We are optimistic that we will be able to embark on longer term Capital Projects, in the coming fiscal year, as our financial situation continues to improve and our city lease renewal is finalized.

Thanks to the members of the Planning Committee, David Sedgewick, Frank Price, Carl McCreath, and John Grant.

**Geoff Williams**  
**Chair, Planning Committee**

## **Capital Projects** **As of April 30, 2021**

Badminton	Purchase Gas Heaters for Badminton Hall	\$7,800
Building	Women's Change Room Renovation	\$148,700
	Water Piping Replacement	\$29,000
	Replace Non Repairable Furnace	\$5,100

**Total      \$190,600**

VRC re-opened its doors to badminton members on June 15, 2020. Members booked courts for singles play using an online system called GameTime. This allowed the club to limit the number of players on courts and in the badminton hall.

In early July 2020 as the first wave of COVID-19 infections fell off, doubles play was restarted at the VRC. This was a welcome change for most of the members. A month later, the Thursday Mixed Doubles Ladder began after its hiatus. As per usual, players signed up with their own partner for matches. In this regard, the Mixed Doubles Ladder was already "COVID-adapted."

On September 7, 2020, the Monday Doubles Ladder (COVID-adapted) started. Members signed up with their own partner and filled out a Google Sheet each week. The Google Sheet had a sign-up tab, the groups tab and the doubles ladder tab. Members were not allowed to drop-in to play on this COVID-adapted ladder format.

By mid-September 2020, the Wednesday Junior Ladder and junior group lessons began. Similar to the Monday Doubles Ladder, the Wednesday Junior Ladder had its own Google Sheet for signing up each week.

In early October 2020, the Wednesday Mixer Night rebooted as the Wednesday Rec Doubles Night (COVID-adapted). Members signed up with their own partners on a Google Sheet and then played against different pairs throughout the evening.

In early November 2020 as the second wave of COVID infections were increasing, singles play was re-introduced. On November 16, 2020, Monday Singles Ladder was created to take the place of the Monday Doubles Ladder. Members signed up on a Google Sheet each week. This Google Sheet contained the groups for match purposes and the ladder of players in pairs.

For a brief period, doubles play resumed and then on December 5, 2020, singles only play resumed as the second wave intensified. Singles play only would last from December 2020 until mid-June 2021 -- over 7 months!

Even though it was hoped that doubles play would resume in the Spring 2021 (after the second wave), a relatively high infection rate and a third wave prevented this.

On June 16, 2021, doubles play was reinstated along with the regular format (pre-COVID) of the Monday Doubles Ladder and Wednesday Mixer Night. The Thursday Mixed Doubles Ladder restarted as well.

In mid-July 2021, members were able to play without booking court time through GameTime.

One significant development during the COVID pandemic was the start of the Singles Ladder back in November 2020. In years past, Singles Ladders started but did not have much staying power. Since November 2020, the Singles Ladder has attracted a robust group of players consistently.

Another significant development was the addition of the Sunday Singles Ladder and the Monday Doubles Ladder onto the Online Ladder System (OLS) with the Mixed Doubles Ladder. Any member can request an account for the OLS and play on any ladder.

It would be remiss not to recognize the collective effort of the VRC staff, Board of Directors, coaches and members for pulling together throughout these difficult months to ensure the health and safety of everyone and to ensure the viability and playability of the club as a whole.

May we continue to enjoy the game we love in the months and years ahead!

Sincerely,

**Michael Khoo & Yu-Hui Kiang**  
**Badminton Co-Directors**

### **Chronology of Events - June 2020 - August 2021**

<b>Date</b>	<b>Events - badminton</b>
June 15, 2020	Club re-opens to singles play only. No badminton programs.
July 2	Doubles play restarts
August 6	Thursday Mixed Doubles Ladder restarts
September 7	Monday Doubles Ladder (COVID-adapted) begins
September 16	Wednesday Junior Ladder starts as a Junior Doubles Ladder
September 19	Saturday junior group lessons begin
October 7	Wednesday Mixer Night changes to Wednesday Rec Doubles Night (COVID-adapted)
November 8	Pivot back to Singles only
November 16	Singles Ladder begins in place of Monday Doubles Ladder
November 25	Doubles play resumes
December 5	Pivot back to Singles only
December 6	Singles Ladder moves to new time on Sunday at 6 pm
December 16	Wednesday Rec Singles starts
June 16, 2021	Doubles play resumes
June 21	Monday Doubles Ladder (pre-COVID format) resumes
June 23	Wednesday Mixer Night restarts
June 24	Thursday Mixed Doubles Ladder resumes
July 14	GameTime is no longer used to book courts; return to court rotating, racquet hanging waiting system
July - August	Junior summer camps

The past year was mostly a year of Covid protocols and limited play. Luckily, VRC had some dedicated players that maintained small bubbles and kept the courts active. The resilience of the membership to stay motivated and handle the provincial mandates through the winter season demonstrated our squash memberships love of the game.

This summer we hired Josh Struthers as our new pro. Josh comes with an extensive playing and coaching resume and an overall love of the game. We are extremely excited to welcome Josh to VRC and look forward to the squash programs Josh plans on adding to our club.

We also managed to get some summer leagues going for singles and doubles. It was great to see a wide range of new and old members getting together for some fun matches.

Looking forward, we are excited to get our Squash programming back up and running in the fall of 2021. I would like to thank everyone for their continued support of both VRC and the Squash community through this challenging year.

**Carl McCreath**  
**Squash Director**

During this past year, as the club continued to react to changing pandemic conditions and updated requirements by the Public Health Office, the staff were able to make repairs and improvements to keep the club in optimal condition. This included a regular regimen of cleaning and sanitizing for the safety of our staff and members.

Many thanks to our Executive Director, John Grant, for all his hard work coordinating all the usual maintenance items that occur on an ongoing basis at our facility. And thanks to the office and custodial staff for their contribution to the smooth running of the club.

With our membership in flux during the pandemic year, there were no major projects undertaken. Regular club maintenance items include: replacement of two building exhaust fans in the Badminton Hall, repainting of various club areas, power washing of some stucco wall surfaces and metal cladding, replacement of the front door latch and realignment, cleaning and repairs to the bar patio and activation of the Badminton Hall TV monitor.

The Rooftop Unit that controls the heated air flow to the lounge area has failed. A replacement unit is on order and will be installed on the rooftop when it arrives. This unit is required for proper heating and ventilation of the upper lounge area and we hope to have it operational before the cold weather of fall occurs.

It is through the diligent and thoughtful maintenance of our facility that we have an attractive club that we can be proud of and allows us to attract new members.

**Frank Price**  
**House Director**

In light of the challenges of operating during this pandemic, we've had to adapt to how we can safely and responsibly come together for social events. Fortunately, VRC was able to offer a Pickleball social event, where members from squash, badminton and fitness, participated in record-breaking numbers. Approximately, 75 members were able to drop by throughout a 6-hour duration, to play and socialize, outdoors.

I'm grateful for the volunteers who helped to organize and run the event. As well as the members who lent their personal equipment, such as net systems and extra paddles, to make this a truly community-driven event. And, a big thank you to all the members who participated, to make it an incredibly fun day!

As with all VRC social events, I strive to promote diversity, inclusion and fair access into our club community. These are values for which I will continue to advocate on the Board.

Yours truly,  
**Ana Laureano**  
**Social Director**

The past year of the covid-19 pandemic was and is very hard for the fitness area of the club. Fitness membership dropped from 208 in April (year-end) 2020 in all categories to 70 in 2021, a drop of two-thirds from year to year. Typically, revenue from fitness memberships makes up approximately one-fifth of total membership revenue of the club.

The membership drop can be attributed to several factors, **none of which is the club's fault.**

- the entire club was closed for three months with the fitness area closed for an additional two months after that
- since the gym reopened, capacity in that area has been restricted to as few as 5 members and currently it is restricted to a maximum of 8
- several pieces of equipment were removed from the gym in order to create some distancing between members which makes the area less competitive to prospective new members
- while all areas of the club were subject to covid protocols, the gym and fitness areas in general were under much more scrutiny than badminton and squash — at one point, fitness members were required to work out with masks on which made the area unattractive to regular users and anybody considering a new fitness membership
- it was hoped that the area could expect more new members once Stage 4 of covid protocols was reached in early September, but at the time of this writing, this stage will probably not occur in September

The two suppliers of fitness services to the club were able to operate as usual with Chris Carter moving his operations to the lounge area and Dr. James Grimmett conducting business in the fitness office.

The club only spent \$1000 approximately on maintenance this year as opposed to the regular budget which is usually six times higher. This was to take in consideration the drop in fitness membership and overall revenue for the club. In addition, we spent \$3000 on new equipment.

Unfortunately, as covid variants continue to cause protocols to remain in place, the club hasn't actively pursued new membership in the fitness area but a plan to pursue new fitness members has been created and will be implemented once things start to return to normal.

For any concerns or suggestions regarding the fitness area, please contact the club's Executive Director, John Grant in the office.

**Gerry Takeuchi**  
**Fitness Director**

VRC has been fortunate to enjoy unparalleled support from its members during this unprecedented time of Covid-19. Since the last AGM, VRC has worked hard to stay open and provide the most services possible to its members in a manner consistent with the public health order requirements. VRC appreciates the support its members have afforded to the club. As such, the board of directors designed a unique membership renewal policy for the 2021-2022 membership year that balances the financial commitments the club requires to sustain its operation and the members' concern for singles only play at the time of renewal. This special program was successful in retaining over 80% of the members when comparing May 31, 2021, to April 30, 2021 member count.

The VRC board of directors recognizes the unique importance of doubles play for our badminton and squash members. As soon as the public health order allowed, VRC pivoted and restarted doubles play on June 15, 2021. As part of the process of further normalizing various services, VRC also resumed bar service.

As of July 31, 2021, badminton member count has recovered to 440. As a point of reference, in July of a pre-Covid year of 2019, member count of the same month was 439. While VRC has done a tremendous job in retaining its badminton members during the Covid times, there is still a way to go as the badminton membership has suffered a drop in membership year over year falling from 656 in April 2016 to 580 in April 2020.

Squash membership has also done a remarkable job in recovering. As of July 31, 2021, there are 299 squash members when compared to 335 in July 2019. VRC's new squash pro and introduction of various squash programs should help with the recovery as squash membership has always been fairly consistent year over year in the past.

Fitness membership has been disproportionately impacted by Covid. As of July 31, 2021, VRC only has 51 fitness members when compared to 156 in July 2019. Given Covid-19 concerns, use of indoor fitness facilities in general have seen a dramatic decrease as people opt for outdoor activities instead. VRC will unlikely see a meaningful recovery in fitness membership until the pandemic is largely over.

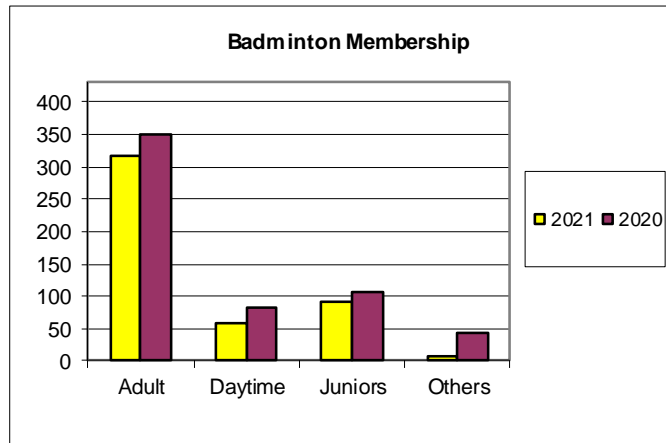
Going forward, VRC will continue to navigate the pandemic in accordance with public health orders and with our members' health and safety as the top priority.

**Alex Luk**  
**Membership Director**

## Vancouver Racquets Club Membership Count As of April 30, 2021

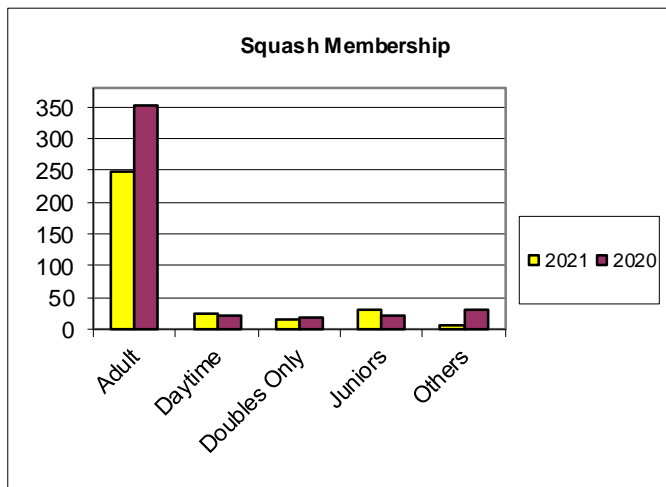
### BADMINTON

	2021	2020
<b>Adult</b>	318	349
<b>Daytime</b>	59	83
<b>Juniors</b>	92	106
<b>Others</b>	6	42
<b>TOTAL BADMINTON</b>	<b>475</b>	<b>580</b>



### SQUASH

	2021	2020
<b>Adult</b>	247	351
<b>Daytime</b>	24	22
<b>Doubles Only</b>	15	19
<b>Juniors</b>	30	22
<b>Others</b>	6	31
<b>TOTAL SQUASH</b>	<b>322</b>	<b>445</b>



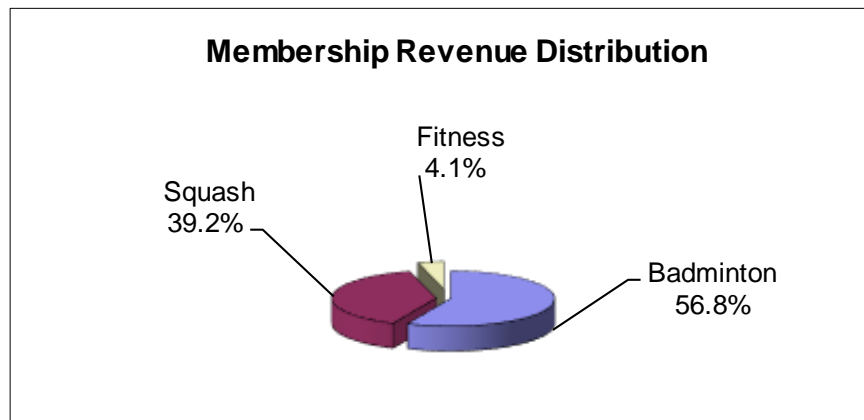
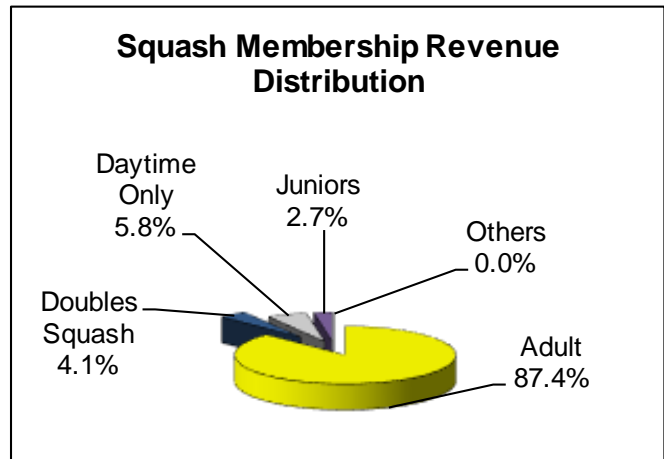
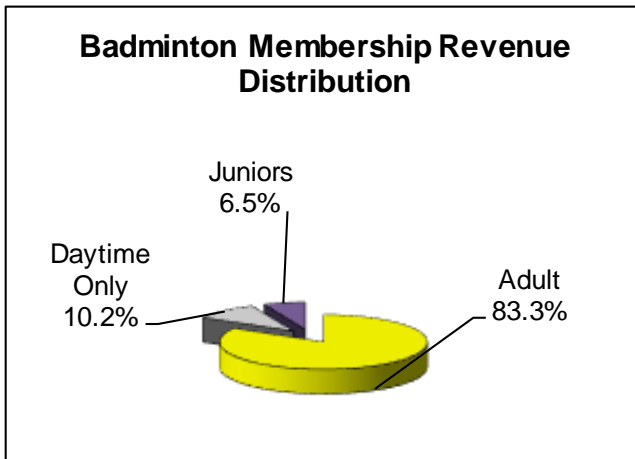
### FITNESS

	2021	2020
<b>Fitness</b>	70	208
<b>TOTAL FITNESS</b>	70	208
<b>GRAND TOTAL</b>	<b>867</b>	<b>1233</b>

**Vancouver Racquets Club  
Membership Revenue by Category  
as of April 30, 2021**

Category	Badminton	Squash	Fitness
Adult	\$ 171,326	\$ 124,165	\$ 14,744
Doubles Squash		\$ 5,821	\$ -
Daytime Only	\$ 21,086	\$ 8,276	\$ -
Juniors	\$ 13,364	\$ 3,811	\$ -
Others		\$ -	\$ -
<b>Total</b>	<b>\$ 205,776</b>	<b>\$ 142,073</b>	<b>\$ 14,744</b>

**Membership Total \$ 362,593**





Financial Statements

Vancouver Racquets Club

April 30, 2021

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# Independent Auditor's Report

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**Grant Thornton LLP**  
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To the Members of  
Vancouver Racquets Club

## Opinion

We have audited the financial statements of Vancouver Racquets Club ("the Club"), which comprise the statement of financial position as at April 30, 2021, and the statements of operations and changes in fund balance and 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 Club as at April 30, 2021, and its results of 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 Club 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.

## Other information

Management is responsible for the other information. The other information comprises the information included in the 2021 annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## 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 Club'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 Club or to cease operations, or has no realistic alternative but to do so.

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

#### **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 Club'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 Club'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 Club 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.

**Report on other legal and regulatory requirements**

As required by the Societies Act of British Columbia, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Vancouver, Canada  
September 20, 2021

*Grant Thornton LLP*

Chartered Professional Accountants

# Vancouver Racquets Club

## Statements of Operations and Changes in Fund Balance

Year ended April 30	2021	2020
Operating revenue		
Annual dues		
Badminton	\$ 205,776	\$ 333,278
Fitness	14,744	64,856
Squash	142,073	296,852
Badminton program	3,880	42,476
Bar sales	-	122,263
Guest fees	-	10,757
Miscellaneous	9,637	10,540
Rental	22,393	41,723
Squash program	-	52,232
Government subsidies (Note 11)	215,212	26,747
	<u>613,715</u>	<u>1,001,724</u>
Expenditures		
Amortization	286,466	189,271
Badminton program	39,227	78,406
Bar expenses	6,735	116,659
Social program	542	2,871
Squash program	26,621	80,042
Office and administration	315,856	260,508
Insurance	25,746	24,376
Repairs and maintenance	132,593	161,260
Utilities	63,661	82,630
	<u>897,447</u>	<u>996,023</u>
(Deficiency) excess of operating revenue over expenditures	\$ (283,732)	\$ 5,701
Surplus, beginning of year	\$ 1,074,659	\$ 1,068,958
(Deficiency) excess of operating revenue over expenditures	<u>(283,732)</u>	<u>5,701</u>
Surplus, end of year	<u>\$ 790,927</u>	<u>\$ 1,074,659</u>


# Vancouver Racquets Club

## Statement of Financial Position

April 30	2021	2020
<b>Assets</b>		
<b>Current</b>		
Cash and term deposits	\$ 791,171	\$ 490,583
Receivables	22,239	29,630
Bar inventory	4,631	9,140
Prepays	<u>12,310</u>	<u>13,497</u>
	<b>830,351</b>	<b>542,850</b>
Equipment and leasehold improvements (Note 3)	<u>491,420</u>	<u>584,765</u>
	<b>\$ 1,321,771</b>	<b>\$ 1,127,615</b>
<b>Liabilities</b>		
<b>Current</b>		
Payables and accruals (Note 4)	\$ 66,255	\$ 52,956
Dues and fees received in advance	424,589	-
Canada Emergency Business Account loan (Note 6)	<u>40,000</u>	<u>-</u>
	<b>530,844</b>	<b>52,956</b>
<b>Operating fund</b>	<u><b>790,927</b></u>	<u><b>1,074,659</b></u>
	<b>\$ 1,321,771</b>	<b>\$ 1,127,615</b>

Capital management (Note 7)  
 Commitments (Note 8)  
 Operating line of credit (Note 9)

On behalf of the Board

  
 \_\_\_\_\_ Member  
 David Sedgewick  
 President

  
 \_\_\_\_\_ Member  
 Sarah MacKinnon  
 Treasurer

# Vancouver Racquets Club

## Statement of Cash Flows

Year ended April 30

2021

2020

Increase (decrease) in cash

### Operating

(Deficiency) excess of operating revenue over expenditures	\$ (283,732)	\$ 5,701
Item not affecting cash		
Amortization	<u>286,466</u>	<u>189,271</u>
	2,734	194,972
Change in non-cash working capital items		
Receivables	7,391	(20,914)
Bar inventory	4,509	(1,883)
Prepays	1,187	1,098
Payables and accruals	13,300	(12,320)
Dues and fees received in advance	<u>424,589</u>	<u>(377,440)</u>
	453,710	(216,487)

### Financing

Canada Emergency Business Account loan	40,000	-
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### Investing

Purchase of equipment and leasehold improvements	<u>(193,122)</u>	<u>(301,082)</u>
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Increase (decrease) in cash **300,588** (517,569)

### Cash

Beginning of year	<u>490,583</u>	<u>1,008,152</u>
End of year	<u>\$ 791,171</u>	<u>\$ 490,583</u>

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# Vancouver Racquets Club

## Notes to the Financial Statements

April 30, 2021

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### 1. Nature of operations

Vancouver Racquets Club ("the Club") is a not-for-profit organization established to promote badminton, squash and fitness. The Club is incorporated under the Society Act of British Columbia and is a non-profit organization as defined under the Income Tax Act.

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### 2. Summary of significant accounting policies

#### Basis of presentation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

#### Use of estimates

In conformity with ASNPO, management is required to make estimates and assumptions that could affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from those reported.

#### Fund accounting restricted

The Club follows the restricted fund method of accounting for contributions. Unrestricted contributions are recognized as revenue of the operating fund in the year received or receivable if the amounts to be received can be reasonably estimated and collection is reasonably assured. Interest income is recorded and is earned in the respective fund.

#### Operating fund

The operating fund is used to manage and report on revenue and expenses related to unrestricted funds for service delivery.

#### Cash and term deposits

Cash and term deposits include cash on hand and redeemable term deposits with maturity of 90 days or less from the date of investment.

#### Bar inventory

Inventory is recorded at the lower of cost and net realizable value.

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# Vancouver Racquets Club

## Notes to the Financial Statements

April 30, 2021

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

#### Equipment and leasehold improvements

The costs of significant improvements to premises and equipment are capitalized in the financial statements at cost. The cost of maintenance, renewals and replacements are charged to operations as incurred.

Amortization is provided annually as follows:

Furniture and fixtures	5 years Straight-line
Fitness equipment	3 years Straight-line
Computer equipment	2 years Straight-line

Leasehold improvements are amortized straight-line over the remaining estimated useful life or the remaining term of the land lease.

#### Revenue recognition

Contributions to the restricted funds are recorded when received or receivable when the amount can reasonably be estimated and collection is reasonably assured. Unrestricted revenue is recognized as revenue when received or receivable when the amount can be reasonably estimated and collection is reasonable assured. Until recognized as revenue, amounts received before the provision of the associated services are shown in dues and fees received in advance on the statement of financial position.

Revenue from restaurant operations is recognized when services are rendered and recorded net of discounts.

Government grants and reimbursements are recognized when there is a reasonable assurance that the Club has complied with the terms of the agreements and that such reimbursements will be received. Reimbursements related to operating costs are reconized as other income.

Rental revenue is recorded based upon the term of the arrangement.

#### Financial instruments

All financial instruments are initially measured at fair value and subsequently at amortized cost. The financial instruments measured at amortized cost are cash and term deposits, receivables, payables and accruals and loan payable.

For financial instruments measured at amortized cost, the Club regularly assesses whether there are any indicators of impairment. If there is an indication of impairment and the Club determines that there is a significant adverse change in the expected timing or amount of the 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 revenue and expense in the year the reversal occurs.

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# Vancouver Racquets Club

## Notes to the Financial Statements

April 30, 2021

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			<u>2021</u>	<u>2020</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Leasehold improvements	\$ 1,773,691	\$ 1,293,193	\$ 480,498	\$ 545,018
Furniture and fixtures	76,777	70,906	5,871	21,226
Fitness equipment	8,217	6,302	1,915	-
Computer equipment	<u>30,771</u>	<u>27,635</u>	<u>3,136</u>	<u>18,521</u>
	<u>\$ 1,889,456</u>	<u>\$ 1,398,036</u>	<u>\$ 491,420</u>	<u>\$ 584,765</u>

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### 4. Payables and accruals

Included in payables and accruals are government remittances payable of \$24,691 (2020 - \$6,259).

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### 5. Financial instruments

The carrying amount of financial assets measured at amortized, which that includes cash and term deposits and receivables is \$813,410 as at April 30, 2021 (2020 - \$520,213).

The carrying amount of financial liabilities measured at amortized cost is \$106,255 as at April 30, 2021 (2020 - \$52,956).

(a) Market risk

Market risk is the potential for financial loss to the Club from changes in the values of its financial instruments due to changes in the interest rates. Due to the short term nature of the term deposits held by the Club, the exposure to changes in interest rates is not significant.

(b) Credit risk

The Club is exposed to the risk that a counterparty defaults or becomes insolvent. Financial instruments that potentially subject the Club to concentrations of credit risk are receivables. The maximum exposure to credit risk in terms of receivables is \$ 22,239 (2020 - \$29,630).

(c) Liquidity risk

Liquidity risk is the risk that the Club cannot meet a demand for cash or fund its obligations as they come due. Maximum exposure to liquidity risk is \$106,255 (2020 - \$52,956).

Liquidity risk is managed by investing the majority of the Club's assets in term deposits that can be readily liquidated. In addition, the Club retains sufficient cash positions to maintain liquidity.

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# Vancouver Racquets Club

## Notes to the Financial Statements

April 30, 2021

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### 6. Canada Emergency Business Account loan

During the year, the Club was approved for and received funding from the federal government in the amount of \$60,000 as part of the Canada Emergency business Account ("CEBA") program. The loan is interest free and payable December 31, 2022. If the loan is repaid by December 31, 2022, the Club will receive a \$20,000 loan forgiveness as part of this program.

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### 7. Capital management

The primary objective of the Club's capital management is to provide adequate funding to support the provision of Club services to members.

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### 8. Commitments

The Club is constructed on land leased from the City of Vancouver via Vancouver Board of Parks and Recreation. The lease matures on December 31, 2023; minimum lease payments over the next five years are as follows:

2022	\$	12,485
2023		12,485
2024		<u>8,323</u>
	\$	<u>33,293</u>

Effective January 1, 2020, the lease payments were adjusted for inflation.

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### 9. Operating line of credit

The Club has an operating line of credit in the amount of \$150,000 (2020 - \$150,000) with an interest rate of prime plus 1% and is secured by a general security agreement over the Club's property. As at April 30, 2021, the operating line of credit had a \$Nil balance (2020 - \$Nil).

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### 10. Disclosure required under the Societies Act

On November 28, 2016 the new British Columbia Societies Act came into force. Included in the new Act is a requirement to disclose the remuneration paid to all directors, the ten highest paid employees and all contractors who are paid at least \$75,000 annually.

During the year, the Club paid \$Nil to directors, \$86,852 in remuneration to one person who is an employee, and there were no contractors who were paid above \$75,000.

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### 11. Comparative figures

Certain comparative figures have been reclassified to conform to the classification used in the current year.

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# Vancouver Racquets Club

## Notes to the Financial Statements

April 30, 2021

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### 12. Impact of COVID-19

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and our operations are not known at this time.

As a result of COVID-19, the club's facilities closed March 16, 2020. The club subsequently reopened various portions of the facility with reduced capacity and COVID-19 restrictions and protocols in place as required. The facilities reopened include the racquet courts on June 15, 2020, the fitness centre on July 22, 2020, and the bar on May 31, 2021. The club continues to operate as such to date.

The Club qualified for government assistance programs in place, resulting in the recognition of Canada Emergency Wage Subsidy of \$154,350, Canada Emergency Rent Subsidy of \$40,862 revenue in the year and CEBA loan forgiveness of \$20,000.

It is not possible to reliably estimate the duration and severity of the consequences of COVID-19, as well as the impact on the financial position and results of the Society for future periods. The Club's Board of Directors is tracking events closely and every effort is being taken to ensure the ongoing sustainability of the Club.

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