

Special KDBC Board Meeting Concerning Lease Termination

November 12, 2020 at 5:00 on Zoom

Present: Jock Devonshire, Charlie Waddell, Anne Herfst, John Gerretsen, Bill Mitchell, Sharon Boal, Bob Fowkes, Brian Moorby, Terry Demers

Regrets: Greg McKellar

Jock helped some members who had trouble connecting and welcomed everyone.

No agenda but John mentioned four items for discussion.

1. Termination of Lease
2. Address of headquarters
3. Computers in storage
4. Approval of Financial Statement

Jock moved that we purchase a Zoom license for about \$200 per year. Jock will put it on his credit card and send copy of the transaction to Bill. Seconded by Anne **Carried**

Mentor Night

Terry asked if there was agreement to charge \$2.50US per person for the monthly open mentor game. The mentees pay for the mentors when they partner up in the partnership desk. This means the mentees pay \$5 and the mentors play for free. **Agreed**

1. Lease Termination – John

Attached

The landlord is willing to let us terminate with no charge for renovations.

He is not interested in holding the space for us at lower rate of \$1000 for a few months.

He is willing to return half of the last month's deposit (\$2117.16) on our original lease.

Motion moved by John to agree to the lease termination document with the amendment suggested by Anne to delete part of paragraph 3. **Attached**

President to sign the document

Seconded by Sharon.

Carried.

Landlord may have another spot for us in Spring. The landlord has been very accommodating and pleasant through these hard times.

Greg to write a letter to notify the members of our lease termination. Terry will make note on the website that we can send a copy of the document if requested by a member.

We have to move the tables and chairs and other miscellaneous items out of the landlord's space by the end of month. **John will check with Martin's storage to see if we can get another space or a bigger space for our items.** Anne has some boxes at her home she would like to move to storage. Sharon also has items. We presently pay \$182 monthly. John will ask the landlord for help with the move.

John has some trophies and 7 or 8 cases of pop. He owes the club \$100 for the pop.

2. Headquarters-Terry

The ACBL needs an address for our club. It can not be a post office box. Jock has agreed to let us use his address. Other mail will continue to go to our mailbox at Shoppers on Centennial Drive. **Agreed**

John recommended that we retain our telephone number/internet and look at this again in 6 months. **Carryover**

3. Computer/Monitor storage

The computer and monitor are being used by Terry in her home.

4. Financial Statements

John congratulated Bill on his good work and all members thanked Bill. Bill moved to accept the financial statements since our last meeting. Seconded by Anne. **Carried**

Anne H. We were amortizing lease/improvements. We won't have this anymore. Financial adjustments are necessary. **Bill will talk to Anne.** **Carryover**

The new floor on Gardiner's road should be written off which will result in an additional expense of \$4104 in 2020.

Website

Sharon suggested in the box states income from virtual games, we add a note "Monthly net income available in Board documents under treasurer reports".

Election

Anne noted legislation for non-profits concerning AGMs. In paragraph 52 it states that the directors of a corporation shall call an annual meeting of the members of the corporation not

later than 15 months after holding the preceding annual meeting. Anne does not know if extensions due to Covid are permissible.

John suggested the January Board meeting be an AGM for members on Zoom.

Adjournment

John moved the meeting be adjourned.

Next Zoom Meeting

Suggested Thursday, December 10th. Jock to make sure that Greg can be available.

Jock Devonshire, Vice President

Terry Demers, Secretary

Attachments:

1. Lease Termination Agreement
2. Email from Anne re amendment in lease termination agreement
3. Financial Reports-October

THIS LEASE TERMINATION AGREEMENT (This "Agreement") is executed this ____ day of November, 2020 by and between 1652557 ONTARIO INC. ("Landlord") and Kingston Duplicate Bridge Club Inc. ("Tenant").

WHEREAS, Landlord and Tenant entered into a Lease Agreement made as of February 26, 2020 (hereinafter referred to as the "Lease") under which Tenant occupies certain space consisting of approximately 3,272 square feet, located at 745 Progress Ave. (The "Premises"); and

WHEREAS, Landlord and Tenant have agreed upon the terms and conditions pursuant to which the Lease shall be terminated, subject to the terms and conditions hereinafter set forth and conditioned and contingent upon satisfaction of the conditions precedent hereinafter set forth.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

- 1. Termination of Lease.** The Lease shall be terminated and cancelled upon execution of this agreement (the "Termination Date"). Tenant shall surrender possession of the premises on or before the Termination date.
- 2. Termination Payment.** In consideration of the Landlord's agreement to terminate the Lease, Tenant shall forfeit one half of the last month's rent deposit held by the Landlord. For clarity, the Landlord shall return to the tenant the sum of \$2,117.16, inclusive of HST of 243.57 (the "Termination Payment"). The Landlord shall also return to the Tenant its furniture which is being stored by the Landlord.
- 3. Release Upon Agreement.** Except for their obligations under this Agreement, upon the Termination Date, Landlord and Tenant shall be released and discharged from their respective obligations under Lease, and neither party shall have any further liability under the Lease, excluding, however, any obligations of Tenant under the Lease that expressly survive the expiration or termination thereof.
- 4. Successorship.** This Agreement shall be binding upon and inure to the benefit of Landlord and Tenant and their respective successors and assigns.
- 5. Integration.** This Agreement shall constitute the entire agreement of the parties concerning the transactions contemplated by this Agreement. All prior understandings and agreements between the parties concerning these matters are merged into this Agreement, which alone fully and completely expresses their understanding.

6. **Amendments.** This Agreement may not be amended except by further agreement in writing duly executed by each of the parties to this Agreement.
7. **Effectiveness.** This Agreement shall become effective and binding only upon its complete execution by Landlord and Tenant and a delivery of a signed copy of this Agreement to Landlord. Landlord and Tenant each agree to execute any and all other documents and agreements reasonable requested by the other party to further evidence or effectuate this Agreement.
8. **Authority.** Each party represents and warrants to the other that it is duly authorized to enter into this Agreement and perform its obligations without the consent or approval of any other party and that the person signing on its behalf is duly authorised to sign on behalf of such party.
9. **Non-Severability.** If any provision of this Agreement is determined to be invalid, illegal, or unenforceable, the entire Agreement shall be deemed unenforceable, invalid and illegal and the Lease shall continue in full force and effect.
10. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one agreement. Facsimile signatures shall have the same effect as an original signature.
11. The tenant acknowledges that on or before the Termination Date it will, subject to reasonable wear and tear, remove from Premises in accordance with the terms of the Lease, at its sole expense, all its trade fixtures, signs, and other personal property, but shall not be required to remove the improvements made by or on behalf of the Tenant in the Premises. The Tenant shall leave the Premises in broom swept condition.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

1652557 Ontario Inc

By: _____

Name: _____

Title: _____

Authorized Signing Officer

Kingston Duplicate Bridge Club Inc.

By: _____

Name: _____

Title: _____

Authorized Signing Officer

Anne and Bert Herfst

Tue, Nov 10, 12:54 PM (3
days ago)

to Jock, John, Robert, Greg, Bill, Brian, Charlie, Bob, Sharon, me

John,

would there be anything that we should be concerned about in para 3 "...and neither party shall have any further liability under the Lease, excluding, however, any obligations of Tenant under the Lease that expressly survive the expiration or termination thereof." ?

Are there any obligations that expressly survive the termination?

A.

Robert Paz

Tue, Nov 10, 1:47 PM (3
days ago)

to Anne, Jock, John, Greg, Bill, Brian, Charlie, Bob, Sharon, me

The exception can be stricken, if you prefer.

Thank you,

Robert Paz, CPA, CA

Controller

1652557 Ontario Inc.

Un 3 - 541 Days Road, Kingston, On K7M 3R8

Ph: (613) 634-3056 | Fax: (613) 634-3963

TREASURER'S REPORT

October 2020

October's Revenue was \$5,452.21 and Expenses were \$3,155.61 for a Net Income of \$2,296.60. There was one unusual payment in October, HST paid to Revenue Canada in the amount of 1,575.26. This is the amount of HST obligation we had incurred since April. The online games are generating a fairly steady net income of around \$3,000.00 per month.

W.A. Mitchell

Treasurer

Kingston Duplicate Bridge Club Inc
Income Statement 2020-04-01 to 2020-10-31

REVENUE

Sales Revenue		
Membership Fees	17.70	
Total Other Fees		17.70
Individual Game Fees	36,565.93	
Total Game Fees - Income		36,565.93
Donations	88.00	
Total Other Revenue		88.00
Total Revenue		36,671.63

TOTAL REVENUE **36,671.63**

EXPENSE

Cost of Goods for Club and Re...		
Shipping	15.44	
Total Cost of Game Supplies		15.44
Directors Expense	8,541.00	
Club Manager Expense	2,803.23	
Total Subcontracts		11,344.23
Total Cost of Goods & Services		11,359.67

OnLine Games Expense		
Seaway Bridge Club		1,973.44
Total OnLine games Expense		1,973.44

General and Administrative Ex...		
ACBL Fees	3,814.64	
Total Business Fees		3,814.64
Postage and Courier		264.17
Depreciation Expense		1,375.88
Computer Software Expense		210.37
Insurance Facility	621.06	
Insurance - Board Members	804.00	
Total Insurance - Cost		1,425.06
Monthly Plan Fee	24.75	
Bank Charges Total		24.75
Office Supplies	183.59	
Other Printer Costs	41.93	
Office Supplies Total		225.52
Rent/Lease		3,568.75
Storage Space Rent		1,456.00
Bell	624.75	
Total Tel/Internet Expense		624.75
Hydro One	316.45	
Union Gas	228.02	
Total Utilities Expense		544.47
Total General & Admin Expense		13,534.36

TOTAL EXPENSE **26,867.47**

NET INCOME **9,804.16**

Kingston Duplicate Bridge Club Inc **Income Statement 2020-10-01 to 2020-10-31**

REVENUE

Sales Revenue		
Individual Game Fees	5,452.21	
Total Game Fees - Income		5,452.21
Total Revenue		5,452.21

TOTAL REVENUE 		5,452.21
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EXPENSE

Cost of Goods for Club and Re...		
Directors Expense	1,350.00	
Club Manager Expense	289.99	
Total Subcontracts		1,639.99
Total Cost of Goods & Services		1,639.99

OnLine Games Expense		
Seaway Bridge Club		389.38
Total OnLine games Expense		389.38

General and Administrative Ex...		
ACBL Fees	370.35	
Total Business Fees		370.35
Postage and Courier		114.00
Depreciation Expense		275.79
Insurance Facility	88.86	
Total Insurance - Cost		88.86
Other Printer Costs	5.99	
Office Supplies Total		5.99
Storage Space Rent		182.00
Bell	89.25	
Total Tel/Internet Expense		89.25
Total General & Admin Expense		1,126.24

TOTAL EXPENSE		3,155.61
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NET INCOME		2,296.60
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Kingston Duplicate Bridge Club Inc

Balance Sheet As at 2020-10-31

ASSET

Current Assets

Directors Draw	100.00	
Cookie/food Draw	250.00	
HST Savings Account	-0.59	
Chequing Bank Account	18,319.90	
Total Cash		18,669.31
GIC	9,528.51	
GIC 2	5,000.00	
Total Investments		14,528.51
Accounts Receivable	6,161.00	
Kingston Sectional Advance	500.00	
Total Receivable		6,661.00
Prepaid Rent/Lease	3,747.19	
Union Gas Deposit	410.00	
Total Prepaid Expenses		4,157.19
Total Current Assets		44,016.01

Capital Assets

Club Furniture and Equipment	3,872.72	
Accum Deprec-Club Furn & Equip	-3,872.72	
Net - Club Furniture & Equipment		0.00
Tournament Furniture & Equipm...	11,000.00	
Accum Deprec - Tourn Furn & E...	-3,500.00	
Net - Tourn Furn & Equip		7,500.00
Facility	9,393.24	
Accum Depreciation - Facility	-5,288.43	
Net - Facility		4,104.81
Total Capital Assets		11,604.81

TOTAL ASSET 55,620.82

LIABILITY

Current Liabilities

Cheques Not Yet Cashied	326.75	
Total Accounts Payable		326.75
HST charged on Sales	6,389.18	
HST Paid on Purchases	-5,841.58	
HST Owing (Refund)		547.60
Total Current Liabilities		874.35

TOTAL LIABILITY 874.35

EQUITY

Owners Equity

Retained Earnings-Previous Year	44,942.31	
Current Earnings	9,804.16	
Total Owners Equity		54,746.47