

Board of Directors  
Blaine Youth Hockey Association  
Gambling License #00776  
Blaine, Minnesota

We have audited the financial statements - regulatory basis of the Lawful Gambling Fund of Blaine Youth Hockey Association (the Association) for the year ended March 31, 2018, and have issued our report thereon dated July 23, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated March 1, 2018. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant Audit Findings**

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Association are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year, except for the change in accounting for state gambling taxes to the cash basis.

We noted no transactions entered into by the Association during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates used in preparing the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

### **Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### **Management Representations**

We have requested certain representations from management that are included in the management representation letter dated July 23, 2018.

### **Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Association's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### **Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Association's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

## **Other Information in Documents Containing Audited Financial Statements**

With respect to the supplementary information accompanying the financial statements - regulatory basis, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the regulatory basis of accounting, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements - regulatory basis. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements - regulatory basis or to the financial statements themselves. We have issued our report thereon dated July 23, 2018.

Other information is being included in documents containing the audited financial statements - regulatory basis and the auditor's report thereon. Our responsibility for such other information does not extend beyond the financial information identified in our auditor's report. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in such documents. As required by professional standards, we read the other information in order to identify material inconsistencies between the audited financial statements - regulatory basis and the other information. We did not identify any material inconsistencies between the other information and the audited financial statements - regulatory basis.

The financial statements - regulatory basis include a compliance checklist completed based on information provided by management. As part of obtaining reasonable assurance about whether the financial statements - regulatory basis are free of material misstatement, we completed the Regulatory Checklist Questionnaire that is attached to a report on the checklist. The objective of our audit of the financial statements - regulatory basis was not to provide an opinion on compliance with such provisions. Accordingly, we did not express an opinion on compliance.

Our auditors' opinion, the audited financial statements - regulatory basis, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

This information is intended solely for the use of the board of directors, management, and members of Blaine Youth Hockey Association and is not intended to be and should not be used by anyone other than these specified parties.

*Shidell Mair & Richardson PLLP*

July 23, 2018  
St. Paul, Minnesota