

# **Canada West Ski Areas Association**

## **Financial Statements**

**March 31, 2017**

**(Unaudited)**

# Canada West Ski Areas Association

March 31, 2017

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## Engagement Review Report

To the Members  
Canada West Ski Areas Association

We have reviewed the Statement of Financial Position of Canada West Ski Areas Association as at March 31, 2017 and the Statement of Operations - General Fund, Statement of Changes in Fund Balances and Statement of Cash Flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the association.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

**Banka & Company**  
Chartered Professional Accountants

Kelowna, BC  
April 10, 2017

# Canada West Ski Areas Association

## Statement of Financial Position

March 31, 2017

(Unaudited)

	Note	2017 \$	2016 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash		\$ 274,491	\$ 152,364
Accounts Receivable from Members		22,895	14,645
Other accounts receivable		118,873	77,709
Prepaid Expenses	3.	75,981	67,652
<b>Total Current Assets</b>		<b>492,240</b>	<b>312,370</b>
Investments	4.	558,374	649,554
Property, plant and equipment, net of accumulated amortization	5.	5,456	3,117
<b>Total Assets</b>		<b>\$ 1,056,070</b>	<b>\$ 965,041</b>
<b>Liabilities and Fund Balances</b>			
<b>Current Liabilities</b>			
Trade accounts payable		\$ 16,448	\$ 64,245
Provincial Sales Tax Payable		66	371
Employee deductions payable		-	1,867
Other accrued liabilities		89,215	4,401
Deferred income/revenue	6.	197,973	136,401
Due to members - Competition Pass Rebate		40,000	40,000
<b>Total Current Liabilities</b>		<b>343,702</b>	<b>247,285</b>
<b>Funds</b>			
Externally Restricted Funds (per Statement of Changes in Fund Balances)		234,845	234,686
Endowment Funds (per Statement of Changes in Fund Balances)		39,684	39,314
General Fund (per Statement of Operations)		437,839	443,756
<b>Total Funds</b>		<b>712,368</b>	<b>717,756</b>
<b>Total Liabilities and Fund Balances</b>		<b>\$ 1,056,070</b>	<b>\$ 965,041</b>

### COMMITMENTS (Note 9)

#### Approved on Behalf of the Board:

(Signed) "Jason Paterson", Treasurer and Director

(Signed) "Christopher Nicolson", President and CEO

The accompanying notes are an integral part of these financial statements.

# Canada West Ski Areas Association

## Statement of Operations - GENERAL FUND

For the Year Ended March 31, 2017

(Unaudited)

	2017 Actual	2017 Budget	2016 Actual
	\$	\$	\$
<b>Revenue</b>			
Membership dues - regular	\$ 75,273	\$ 80,500	\$ 91,681
Membership dues - associate	76,551	77,500	82,553
Interest income	7,518	5,000	7,240
Other revenue	4,283	3,000	3,340
CSC Grade 4/5 Snow Pass	57,969	40,000	54,766
<b>Program Revenue</b>			
CWSAA Competitor Pass Program	256,409	247,500	246,100
Spring Conference	192,697	193,000	168,663
Zone Meetings	23,880	25,000	21,693
	<b>694,580</b>	<b>671,500</b>	<b>676,036</b>
<b>Expenditure</b>			
Accounting / Legal Fees	4,478	7,500	44,637
Advertising, Promotion, Website	11,079	3,600	3,200
Amortization	2,956	600	553
Bank Charges	11,016	6,500	6,323
Insurance	2,632	2,500	2,227
Miscellaneous	37,337	38,250	37,160
Office expenses	25,898	25,850	24,516
Office lease	21,492	18,320	17,880
Safety and risk management	6,959	4,800	5,323
Salaries and wages	245,560	241,960	196,813
Telephone/Internet	6,422	5,520	5,595
Travel & Directors expenses	53,159	34,000	29,502
<b>Program Expenditures</b>			
CWSAA Competitor Pass Program	40,000	40,000	39,615
Spring Conference	205,189	208,000	176,186
Zone Meetings	26,320	24,000	21,220
	<b>700,497</b>	<b>661,400</b>	<b>610,750</b>
<b>Excess (Deficiency) of Revenue over Expenditure</b>	<b>(5,917)</b>	<b>10,100</b>	<b>65,286</b>
Balance, beginning of year	443,756	443,756	378,470
<b>Balance, End of Year</b>	<b>\$ 437,839</b>	<b>\$ 453,856</b>	<b>\$ 443,756</b>

The accompanying notes are an integral part of these financial statements.

# Canada West Ski Areas Association

## Statement of Changes in Fund Balances

For the Year Ended March 31, 2017

(Unaudited)

EXTERNALLY RESTRICTED FUNDS	ALBERTA ENERGY COMMITTEE FUND	ALBERTA SKI INDUSTRY MARKETING COMMITTEE (ASIMC) FUND	BC NORDIC FUND	EXPERIENCE BC MARKETING FUND	SAFETY ACT FUND	SKI SCHOOL DIVISION FUND	SMALL AREAS ASSISTANCE FUND	UNIVERSITY OF CALGARY AVALANCHE RESEARCH FUND	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, Beginning of Year	\$ 32,436	\$ 4,727	\$ 15,399	\$ 9,744	\$ 43,384	\$ 71,840	\$ 22,822	\$ 34,333	\$ 234,685	\$ 256,124
Contributions	-	34,303	-	1,060,519	-	1,778	1,878	-	1,098,478	599,365
Distributions	-	(28,682)	-	(1,060,840)	-	-	(2,797)	(6,000)	(1,098,319)	(620,803)
Excess(Deficiency) of Contributions Over Distributions	-	5,621	-	(321)	-	1,778	(919)	(6,000)	159	(21,438)
Balance, End of Year	\$ 32,436	\$ 10,348	\$ 15,399	\$ 9,423	\$ 43,384	\$ 73,618	\$ 21,903	\$ 28,333	\$ 234,845	\$ 234,686

  

ENDOWMENT FUNDS	JIM MARSHALL AWARD ENDOWMENT FUND	LARS FOSSBERG AWARD ENDOWMENT FUND								2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Contributions	\$ 28,709	\$ 10,607	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,316	\$ 39,837
Distributions	697	260	-	-	-	-	-	-	-	957	1,332
Distributions	(589)	-	-	-	-	-	-	-	-	(589)	(1,855)
Excess(Deficiency) of Contributions Over Distributions	108	260	-	-	-	-	-	-	-	368	(523)
Balance, End of Year	\$ 28,817	\$ 10,867	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,684	\$ 39,314

The accompanying notes are an integral part of these financial statements.

# Canada West Ski Areas Association

## Statement of Cash Flows

For the Year Ended March 31, 2017

(Unaudited)

	2017	2016
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Alberta Energy Committee Fund	\$ -	\$ (12,798)
Alberta Regional Industry Promotion Fund	22,633	926
BC Nordic Fund	-	(632)
Experience BC Marketing Fund	(321)	(8,267)
Ski School Division Fund	1,778	2,328
Small Areas Assistance Fund	(919)	(2,996)
University of Calgary Avalanche Research Fund	(6,000)	-
Jim Marshall Award Endowment Fund	108	27
Lars Fossberg Award Endowment Fund	260	(548)
General Fund	(9,888)	67,450
Amortization of Capital Assets	2,956	553
Net change in non cash working capital	21,664	70,400
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>32,271</b>	<b>116,443</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Net change in investments	91,180	(14,280)
Purchase of property, plant and equipment	-	(2,421)
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<b>91,180</b>	<b>(16,701)</b>
<b>Net cash increase (decreases) in cash and cash equivalents</b>	<b>123,451</b>	<b>99,742</b>
Cash and cash equivalents at beginning of period	152,364	52,622
<b>Cash and cash equivalents at end of period</b>	<b>\$ 275,815</b>	<b>\$ 152,364</b>

The accompanying notes are an integral part of these financial statements.

# Canada West Ski Areas Association

## Notes to the Financial Statements

For the Year Ended March 31, 2017

(Unaudited)

### 1. Purpose of the Organization

Canada West Ski Areas Association (CWSAA) is a not-for-profit trade organization that represents the Ski Areas of Western Canada. Its primary areas of focus are government relations, media relations, marketing, safety & risk management and industry conferences. CWSAA was founded in 1967 and incorporated in 1973 under the Canada Corporations Act. At the May 12, 2014 CWSAA AGM, CWSAA members approved new By-Laws and Articles of Continuance to facilitate a migration to the new Canada Not-For-Profit Corporations Act. CWSAA filed the required forms with Corporations Canada on May 26, 2014 and received a Certificate of Continuance on June 3, 2014.

### 2. Significant Accounting Policies

#### a. Nature of business/basis of preparation

##### i. Basis of accounting

The Association prepares its financial statements in accordance with Canadian accounting standards for not-for-profit organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Canada West Ski Areas Association's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board of Directors meets periodically with management and the members' accountants to review significant accounting, reporting and internal control matters. The Board also considers for review and approval by the members, the engagement or re-appointment of the external accountants.

#### b. Fund Accounting

Canada West Ski Areas Association follows the restricted fund method of accounting for contributions to Externally Restricted and Endowment Funds, and the deferral method of accounting for contributions to the General Fund.

##### Externally Restricted Funds

The Alberta Energy Committee Fund reports externally restricted resources that are used to support the collective efforts of Alberta ski areas to analyse and advocate for reductions in energy rates. Funds are derived from Alberta ski operators.

The Alberta Ski Industry Marketing Committee (ASIMC) Program reports contributions from participating Alberta Ski Area Operators and Travel Alberta matching contributions to support efforts to develop



# Canada West Ski Areas Association

## Notes to the Financial Statements

For the Year Ended March 31, 2017

(Unaudited)

### 2. Significant Accounting Policies continued

#### b. Fund Accounting continued

awareness and interest amongst new skiers.

The Safety Act Fund reports externally restricted resources that are to be used in lobbying the courses of action related to ski area safety legislation. Funds are derived from members' contributions.

The Ski School Division Fund reports externally restricted resources that are used for funding assistance in matters of specific interest or education of ski school staff. Funds were transferred from Canadian Professional Ski School Association upon dissolution of this organization. Interest income earned on resources of this fund is reported as revenue of this fund.

The Small Areas Assistance Fund reports externally restricted contributions that are to be used to assist small ski areas with annual skier visits of less than 20,000, with funding for risk management, safety training and any other worthy activity. Funds are derived from fund raising events.

The Experience BC Marketing Fund reports externally restricted resources that are used to drive incremental destination skier visits and revenues for BC. Contributions are derived from participating members' contributions and Destination BC matched funding.

The University of Calgary Avalanche Research Fund reports externally restricted resources that are used to provide financial assistance in research and development of avalanche detection and prevention techniques. Funds are derived from members' contributions.

The BC Nordic Ski Fund holds funds that are intended to support future nordic ski marketing initiatives in the province of British Columbia. These funds were transferred to CWSAA upon dissolution of the BC Nordic Marketing Society.

#### Endowment Funds

The Jim Marshall Award Endowment Fund reports resources contributed for endowment and interest income earned on resources of this fund. The fund is to be used to provide annually an award to the person selected for outstanding contributions to the sport of alpine skiing.

The Lars Fossberg Award Endowment Fund reports resources contributed for endowment and interest income earned on resources of this fund. The fund is to be used to provide an annual award to the manager or supervisor who shows a high degree of initiative and creativity together with the ability to improvise when dealing with the unexpected.

#### General Fund

The General Fund accounts for the organization's program delivery and administrative activities.

#### c. Revenue recognition

Unrestricted contributions are recognized as revenue of the General Fund in the year received or

# Canada West Ski Areas Association

## Notes to the Financial Statements

For the Year Ended March 31, 2017

(Unaudited)

### 2. Significant Accounting Policies continued

#### c. Revenue recognition continued

receivable if the amount to be recorded can be reasonably estimated and collection is reasonably assured.

Restricted contributions are recognized as revenue of the appropriate restricted fund.

Membership fees are recognized as revenue of the General Fund when earned.

Interest income is recognized on a time proportional basis.

#### d. Investments

##### i. Long term investments - cost and valuation

Long-term investments in Guaranteed Investment Certificates (GIC's) are recorded at cost. Interest is accrued over the life of the investment.

#### e. Property, plant and equipment

##### i. Valuation, method and amount

Property, plant and equipment is carried at cost. Amortization is calculated using the declining balance method at 50% for computers and website development, 100% for software and 50% for furniture and equipment.

#### f. Financial instruments

##### i. Fair values not materially different from book values

The association has determined that the estimated fair value of the financial assets and liabilities do not differ considerably from their book value.

#### g. Use of estimates

The preparation of financial statements in accordance 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Management's assumptions are based on a number of factors, including historical experience, current events and actions that the organization may undertake in the future, and all other assumptions that we believe are reasonable under the circumstances. Actual results could differ from these estimates under different conditions and assumptions. Estimates were used when accounting for certain items, such as the useful lives of capital assets and impairment of long-lived assets.

# Canada West Ski Areas Association

## Notes to the Financial Statements

For the Year Ended March 31, 2017

(Unaudited)

### 3. Prepaid expenses

	2017	2016
	\$	\$
Spring Conference Deposits	\$ 67,434	\$ 64,357
Lease Deposit	4,200	1,490
Printing	1,919	-
Insurance	1,428	805
Division Meeting Deposit	1,000	1,000
<b>Total</b>	<b>\$ 75,981</b>	<b>\$ 67,652</b>

### 4. Investments

	Type	Maturity Date	Rate	Market Value	2017	2016
				\$	\$	\$
<b>Matured and Short Term</b>						
Accrued Interest				\$ -	\$ 14,824	\$ 10,939
Business Investment	Savings	None	0.5500	123,408	123,408	219,493
				123,408	138,232	230,432
<b>Long Term</b>						
Prospera	GIC-18 month	11/08/2018	1.3000	100,171	100,000	100,000
Prospera	GIC-Annual	03/03/2018	1.3000	50,050	50,000	50,000
Prospera	GIC-3 year	17/12/2017	2.2000	41,163	40,905	40,905
ICICI Bank of Canada	GIC-4 year	04/04/2018	2.3200	96,392	90,000	90,000
Tangerine Bank	GIC-4 year	04/04/2018	2.3200	42,692	39,861	39,861
RBC Bank	GIC-5 year	31/07/2019	2.0000	52,712	52,020	51,000
Tangerine Bank	GIC-5 year	01/09/2019	2.8100	51,786	47,356	47,356
<b>Subtotal</b>				434,966	420,142	419,122
<b>Total</b>				<b>\$ 558,374</b>	<b>\$ 558,374</b>	<b>\$ 649,554</b>

# Canada West Ski Areas Association

## Notes to the Financial Statements

For the Year Ended March 31, 2017  
(Unaudited)

### 5. Property, plant and equipment

			2017	2016
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Furniture and fixtures	\$ 12,254	\$ (11,949)	\$ 305	696
Computer equipment	19,590	(18,410)	1,180	2,421
Website development	5,295	(1,324)	3,971	-
<b>Total</b>	<b>\$ 37,139</b>	<b>\$ (31,683)</b>	<b>\$ 5,456</b>	<b>3,117</b>

Costs to upgrade the website were capitalized and amortized in 2017 for a net amount of \$3,971.

### 6. Deferred Revenue

Deferred revenue represents funds received in advance of program expenditures:

	2017	2016
	\$	\$
Spring Conference Registration and Sponsorship Fees	\$ 197,973	\$ 136,401

### 7. Credit risk

The association does not face significant credit risk exposure. The fair values of items that meet the definition of financial instruments approximate their carrying values. These items include accounts receivable.

### 8. Government Funding

Destination BC provided \$579,875 in funding for the Experiences BC Alpine Ski Marketing Campaign, plus a further \$58,839 for the Experiences BC Nordic Ski Marketing Campaign.

Travel Alberta provided \$16,653 in funding for the Alberta Ski Industry Marketing Committee (ASIMC) Marketing Initiatives.

### 9. Commitments

#### a. Lease Commitments

The association entered into a five year office space lease agreement commencing December 1, 2016. Future annual lease commitments are \$24,000 per year.