

Canada West Ski Areas Association

Financial Statements

March 31, 2018

(Unaudited)

Canada West Ski Areas Association

March 31, 2018

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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, 2018 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 09, 2018

Canada West Ski Areas Association

Statement of Financial Position

March 31, 2018

(Unaudited)

	Note	2018 \$	2017 \$
Assets			
Current Assets			
Cash		\$ 512,834	\$ 274,491
Trade accounts receivable	3.	82,373	22,895
Taxes recoverable	3.	12,178	13,364
Other accounts receivable	3.	55,184	105,509
Prepaid	4.	105,789	75,981
Total Current Assets		768,358	492,240
Long term investments	5.	525,472	558,374
Property, plant and equipment, net of accumulated amortization	6.	3,658	5,456
Total Assets		\$ 1,297,488	\$ 1,056,070
Liabilities and Shareholders' Equity			
Current Liabilities			
Trade accounts payable	7.	\$ 179,058	\$ 16,449
Provincial Sales Tax Payable	7.	39	66
Other accrued liabilities	7.	86,779	89,215
Deferred income/revenue	8.	287,340	197,973
Racer pass rebates		40,000	40,000
Total Current Liabilities		593,216	343,703
Funds			
Externally Restricted Funds (per Statement of Changes in Fund Balances)		231,733	234,844
Endowment Funds (per Statement of Changes in Fund Balances)		40,633	39,684
General Fund (per Statement of Operations)		431,906	437,839
Total Funds		704,272	712,367
Total Liabilities and Fund Balances		\$ 1,297,488	\$ 1,056,070

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, 2018

(Unaudited)

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Revenue			
Membership dues - regular	\$ 92,075	\$ 89,500	\$ 75,273
Membership dues - associate	70,215	67,500	76,551
Interest income	6,265	4,250	7,518
Other revenue	3,001	3,000	4,283
CSC Grade 4/5 Snow Pass	61,596	45,000	57,969
Program Revenue			
CWSAA Competitor Pass Program	260,839	255,000	256,409
Spring Conference	250,517	193,000	192,697
Zone Meetings	30,767	24,000	23,880
	775,275	681,250	694,580
Expenditure			
Accounting / Legal Fees	3,750	5,000	4,478
Advertising, Promotion, Website	8,718	10,000	11,079
Amortization of tangible assets	4,910	600	2,956
Bank Charges	12,624	7,700	11,016
Insurance	2,783	2,500	2,632
Miscellaneous	41,279	40,000	37,337
Office expenses	31,419	23,800	25,898
Office lease	24,990	25,200	21,492
Safety and risk management	14,234	7,600	6,959
Salaries and wages	256,310	250,645	245,560
Telephone/Internet	5,378	5,500	6,422
Travel & Directors expenses	54,551	42,000	53,159
Program Expenditures			
CWSAA Competitor Pass Program	40,000	40,000	40,000
Spring Conference	247,268	195,000	205,189
Zone Meetings	32,994	24,000	26,320
	781,208	679,545	700,497
Excess (Deficiency) of Revenue over Expenditure	(5,933)	1,705	(5,917)
Balance, beginning of year	437,839	437,839	443,756
Balance, End of Year	\$ 431,906	\$ 439,544	\$ 437,839

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, 2018

(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	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, Beginning of Year	\$ 32,436	\$ 10,348	\$ 15,399	\$ 9,423	\$ 43,384	\$ 73,618	\$ 21,903	\$ 28,333	\$ 234,844	\$ 234,885
Contributions	-	33,046	-	1,043,898	-	16,689	6,086	-	1,099,720	1,098,478
Distributions	(6,615)	(40,945)	-	(1,029,386)	-	(17,537)	(3,823)	(4,527)	(1,102,832)	(1,098,219)
Excess(Deficiency) of Contributions Over Distributions	(6,615)	(7,899)	-	14,512	-	(848)	2,263	(4,527)	(3,112)	133
Balance, End of Year	\$ 25,821	\$ 2,449	\$ 15,399	\$ 23,935	\$ 43,384	\$ 72,770	\$ 24,166	\$ 23,806	\$ 231,733	\$ 234,844

ENDOWMENT FUNDS	JIM MARSHALL AWARD ENDOWMENT FUND	LARS FOSSBERG AWARD ENDOWMENT FUND								2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Contributions	\$ 28,817	\$ 10,867	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,684	\$ 39,316
Distributions	687	262	-	-	-	-	-	-	-	949	927
Excess(Deficiency) of Contributions Over Distributions	687	262	-	-	-	-	-	-	-	949	927
Balance, End of Year	\$ 29,504	\$ 11,129	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,633	\$ 39,933

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, 2018

(Unaudited)

	2018	2017
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Alberta Energy Committee Fund	\$ (6,615)	\$ -
Alberta Regional Industry Promotion Fund	(7,899)	22,633
Experience BC Marketing Fund	14,512	(321)
Ski School Division Fund	(848)	1,778
Small Areas Assistance Fund	2,263	(919)
University of Calgary Avalanche Research Fund	(4,527)	(6,000)
Jim Marshall Award Endowment Fund	687	108
Lars Fossberg Award Endowment Fund	262	260
General Fund	(5,933)	(5,917)
Amortization of Capital Assets	4,910	2,956
Net change in non cash working capital	211,741	21,664
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	208,553	36,242
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net change in investments	32,902	91,180
Purchase of property, plant and equipment	(3,112)	-
NET CASH USED BY INVESTING ACTIVITIES	29,790	91,180
Net cash increase (decreases) in cash and cash equivalents	238,343	127,422
Cash and cash equivalents at beginning of period	274,491	147,069
Cash and cash equivalents at end of period	\$ 512,834	\$ 274,491

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, 2018

(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.

Canada West Ski Areas Association

Notes to the Financial Statements

For the Year Ended March 31, 2018

(Unaudited)

2. Significant Accounting Policies continued

b. Fund Accounting continued

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 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.

Canada West Ski Areas Association

Notes to the Financial Statements

For the Year Ended March 31, 2018

(Unaudited)

2. Significant Accounting Policies continued

b. Fund Accounting continued

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 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

Canada West Ski Areas Association

Notes to the Financial Statements

For the Year Ended March 31, 2018

(Unaudited)

2. Significant Accounting Policies continued

g. Use of estimates continued

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.

3. Receivables

	2018	2017
	\$	\$
Trade accounts receivable	\$ 82,373	\$ 22,895
Taxes recoverable	12,178	13,364
Other accounts receivable	55,184	105,509
Total	\$ 149,735	\$ 141,768

Trade accounts receivable is comprised of government grants, spring conference registration fees, spring conference sponsorships and membership dues receivable. The amount is shown net of a \$10,289 provision for anticipated non-renewal of memberships.

Taxes recoverable consists of GST refunds receivable.

Other accounts receivable consists of program revenues receivable.

4. Prepaid expenses

	2018	2017
	\$	\$
Spring Conference Deposits	\$ 98,725	\$ 67,434
Lease Deposit	4,200	4,200
Printing	1,864	1,919
Insurance	-	1,428
Division Meeting Deposit	1,000	1,000
Total	\$ 105,789	\$ 75,981

Canada West Ski Areas Association

Notes to the Financial Statements
For the Year Ended March 31, 2018
(Unaudited)

5. Investments

	Type	Maturity Date	Rate	Market Value \$	2018 \$	2017 \$
Matured and Short Term						
Accrued Interest				\$ -	\$ 19,213	\$ 14,824
Business Investment	Savings	None	0.5500	175,982	175,982	123,408
				175,982	195,195	138,232
Long Term						
Prospera	GIC-18 month	11/08/2018	1.3000	100,171	100,000	100,000
Prospera	GIC-Annual	03/03/2018	1.3000	-	-	50,000
Prospera	GIC-3 year	17/12/2017	2.2000	-	-	40,905
ICICI Bank of Canada	GIC-4 year	04/04/2018	2.3200	98,628	90,000	90,000
Tangerine Bank	GIC-4 year	04/04/2018	2.3200	43,683	39,861	39,861
RBC Bank	GIC-5 year	31/07/2019	2.0000	53,767	53,060	52,020
Tangerine Bank	GIC-5 year	01/09/2019	2.8100	53,241	47,356	47,356
Subtotal				349,490	330,277	420,142
Total				\$ 525,472	\$ 525,472	\$ 558,374

6. Property, plant and equipment

	2018		2017	
	Cost \$	Accumulated Amortization \$	Net Book Value \$	Net Book Value \$
Furniture and fixtures	\$ 12,254	\$ (12,254)	\$ -	\$ 305
Computer equipment	22,702	(20,368)	2,334	1,180
Website development	5,295	(3,971)	1,324	3,971
Total	\$ 40,251	\$ (36,593)	\$ 3,658	\$ 5,456

Canada West Ski Areas Association

Notes to the Financial Statements For the Year Ended March 31, 2018 (Unaudited)

7. Accounts payable and accrued expenses

	2018	2017
	\$	\$
Trade accounts payable	\$ 179,059	\$ 16,447
Provincial Sales Tax payable	39	66
Other accrued liabilities	86,779	89,215
Total	\$ 265,877	\$ 105,728

Trade accounts payable are amounts owing to providers of marketing services, administered on behalf of BC Ski Areas and Destination BC.

Other accrued liabilities include accrued amounts owing for marketing fees, consulting fees, accounting fees and employee vacation pay.

8. Deferred Revenue

Deferred revenue represents funds received in advance of program expenditures:

	2018	2017
	\$	\$
Spring Conference Registration and Sponsorship Fees	\$ 287,340	\$ 197,973

9. 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.

10. Government Funding

Destination BC provided \$539,875 in funding for the Experiences BC Alpine Ski Marketing Campaign. plus a further \$55,507 for the Experiences BC Nordic Ski Marketing Campaign.

Travel Alberta provided \$16,246 in funding for the Alberta Ski Industry Marketing Committee (ASIMC) Marketing Initiatives.

11. Lease Commitments

The association has a five year office space lease agreement ending December 1, 2021. Future annual lease commitments are \$24,000 per year.