

The financial statements have been reviewed by Banka & Company and received by the Board of Directors. These statements will be presented to the membership for approval on August 19, 2020.

# **Canada West Ski Areas Association**

## **Financial Statements**

**March 31, 2020**

**(Unaudited)**

# Canada West Ski Areas Association

March 31, 2020

## CONTENTS

	<u>Page</u>
<b>Financial Statements</b>	
Independent Practitioner's Review Engagement Report	3
Statement of Financial Position	4
Statement of Operations - General Fund	5
Statement of Changes in Fund Balances	6
Statement of Cash Flows	7
Notes to the Financial Statements	8

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## Independent Practitioner's Review Engagement Report

To the directors of Canada West Ski Areas Association:

We have reviewed the accompanying financial statements of Canada West Ski Areas Association that comprise the Statement of Financial Position as at March 31, 2020 and the Statement of Operations - General Fund, Statement of Changes in Fund Balances and Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises, 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.

### Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an opinion on these financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not presently fairly, in all material respects, the financial position of Canada West Ski Areas Association as at March 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

**Banka & Company**  
Chartered Professional Accountants



Kelowna, BC  
June 15, 2020

# Canada West Ski Areas Association

## Statement of Financial Position

March 31, 2020  
(Unaudited)

	Note	2020 \$	2019 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash		\$ 326,595	\$ 454,737
Trade accounts receivable	3.	351,128	70,050
Taxes recoverable	3.	170	21,059
Other accounts receivable	3.	18,156	18,360
Prepaid	4.	32,700	168,494
<b>Total Current Assets</b>		<b>728,749</b>	<b>732,700</b>
Long term investments	5.	596,535	541,106
Property, plant and equipment, net of accumulated amortization	6.	5,164	778
<b>Total Assets</b>		<b>\$ 1,330,448</b>	<b>\$ 1,274,584</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Current Liabilities</b>			
Trade accounts payable	7.	\$ 52,837	\$ 78,820
Provincial Sales Tax Payable	7.	73	79
Other accrued liabilities	7.	15,112	23,081
Deferred income/revenue	8.	141,740	399,383
Due to related parties	9.	43,200	40,000
<b>Total Current Liabilities</b>		<b>252,962</b>	<b>541,363</b>
<b>Funds</b>			
Externally Restricted Funds (per Statement of Changes in Fund Balances)		510,507	223,639
Endowment Funds (per Statement of Changes in Fund Balances)		40,536	40,722
General Fund (per Statement of Operations)		526,443	468,860
<b>Total Funds</b>		<b>1,077,486</b>	<b>733,221</b>
<b>Total Liabilities and Fund Balances</b>		<b>\$ 1,330,448</b>	<b>\$ 1,274,584</b>

### COMMITMENTS (Note 12)

#### Approved on Behalf of the Board:

(Signed) "Peter Nixon", 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, 2020

(Unaudited)

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
<b>Revenue</b>			
Membership dues - regular	\$ 98,655	\$ 81,000	\$ 87,513
Membership dues - associate	86,034	68,500	72,795
Interest income	6,338	3,250	6,245
Other revenue	4,884	3,000	3,929
<b>Program Revenue</b>			
CWSAA Competitor Pass Program	287,952	277,500	279,917
Spring Conference	288,559	305,000	321,680
Division Meetings	37,084	40,500	39,823
CSC Grade 4/5 Snow Pass	52,151	50,000	60,808
	<b>861,657</b>	<b>828,750</b>	<b>872,710</b>
<b>Expenditure</b>			
Accounting / Legal Fees	5,000	5,000	5,000
Advertising, Promotion, Website	4,952	9,000	5,645
Amortization of property, plant and equipment	2,499	3,000	2,880
Bank Charges	4,411	6,700	13,231
Issues management	23,235	19,500	17,211
Insurance	3,480	3,500	3,288
Economic analysis, research and miscellaneous	26,230	20,500	26,689
Office expenses	3,639	4,800	6,303
Office lease	25,196	25,200	25,134
Safety and risk management	22,193	7,600	5,829
Salaries and wages	264,758	269,950	260,515
Telephone/Internet	5,206	5,500	6,234
Travel & Directors expenses	53,213	50,000	58,290
<b>Program Expenditures</b>			
CWSAA Competitor Pass Program	45,237	40,000	40,000
Spring Conference	256,721	300,000	300,755
Zone Meetings	37,970	40,500	40,796
Other (Gr 4/5 Snowpass)	20,134	18,000	17,956
	<b>804,074</b>	<b>828,750</b>	<b>835,756</b>
<b>Excess (Deficiency) of Revenue over Expenditure</b>	<b>57,583</b>	<b>-</b>	<b>36,954</b>
Balance, beginning of year	468,860	468,860	431,906
<b>Balance, End of Year</b>	<b>\$ 526,443</b>	<b>\$ 468,860</b>	<b>\$ 468,860</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, 2020  
(Unaudited)

	Balance, beginning of period	Contributions	Disburse- ments	Excess (Deficiency) of Revenues over Expenditures	2020 \$	2019 \$
<b>EXTERNALLY RESTRICTED FUNDS</b>						
Alberta Energy Committee	\$ 8,892	-	(8,892)	(8,892)	\$ -	\$ 8,892
AB Ski Industry Marketing Committee (ASIMC)	(3,524)	38,135	(33,192)	4,943	1,419	(3,524)
BC Nordic Fund	15,399	52,500	(41,863)	10,637	26,036	15,399
Experience BC Marketing Fund	41,696	1,447,115	(1,186,757)	260,358	302,054	41,696
Safety Act Fund	43,384	-	-	-	43,384	43,384
Ski School Division Fund	73,999	1,343	-	1,343	75,342	73,999
Small Area Assistance	20,887	12,331	(10,852)	1,479	22,366	20,887
U of C Avalanche Research Fund	22,906	-	-	-	22,906	22,906
Tourism AB Small Areas	-	30,000	(20,000)	10,000	10,000	-
WorkSafeBC Best Practices	-	7,000	-	7,000	7,000	-
<b>Totals</b>	<b>\$ 223,639</b>	<b>\$ 1,588,424</b>	<b>(1,301,556)</b>	<b>286,868</b>	<b>\$ 510,507</b>	<b>\$ 223,639</b>
<b>ENDOWMENT FUNDS</b>						
Jim Marshall Award Fund	\$ 29,708	\$ 529	(300)	229	\$ 29,937	\$ 29,708
Lars Forsberg Fund	11,014	185	(600)	(415)	10,589	11,014
<b>Totals</b>	<b>\$ 40,722</b>	<b>\$ 714</b>	<b>(900)</b>	<b>(186)</b>	<b>\$ 40,536</b>	<b>\$ 40,722</b>

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, 2020  
(Unaudited)

	2020	2019
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Alberta Energy Committee Fund	\$ (8,892)	\$ (16,929)
AB Ski Industry Marketing Committee (ASIMC)	4,943	(5,973)
BC Nordic Fund	10,637	-
Experience BC Marketing Fund	260,358	17,761
Ski School Division Fund	1,343	1,229
Small Areas Assistance Fund	1,479	(3,279)
University of Calgary Avalanche Research Fund	-	(900)
Tourism AB Small Areas	10,000	-
WorkSafe BC Best Practices	7,000	-
Jim Marshall Award Endowment Fund	229	204
Lars Forsberg Award Endowment Fund	(415)	(115)
General Fund	57,583	36,955
Amortization of Capital Assets	2,499	2,880
Net change in non cash working capital	(412,592)	(74,295)
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>(65,828)</b>	<b>(42,462)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Net change in investments	(55,429)	(15,634)
Purchase of property, plant and equipment	(6,885)	-
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<b>(62,314)</b>	<b>(15,634)</b>
<b>Net cash increase (decreases) in cash and cash equivalents</b>	<b>(128,142)</b>	<b>(58,096)</b>
Cash and cash equivalents at beginning of period	454,737	512,833
<b>Cash and cash equivalents at end of period</b>	<b>\$ 326,595</b>	<b>\$ 454,737</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, 2020  
(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



# Canada West Ski Areas Association

## Notes to the Financial Statements

For the Year Ended March 31, 2020  
(Unaudited)

### 2. Significant Accounting Policies continued

#### b. Fund Accounting continued

Alberta Ski Area Operators and Travel Alberta matching contributions to support efforts to develop awareness and interest amongst new skiers.

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 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.

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 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 Tourism AB Small Areas Fund reports externally restricted resources that are to be used to undertake a study of Alberta's small and community ski hills to identify best practices and assess the current and varied state of 30 smaller, community-based operations. This undertaking is funded by the Alberta Ministry of Culture and Tourism.

The WorkSafe BC Best Practices Fund reports externally restricted resources that are to be used to develop guidelines for conducting maintenance work using specifically designed platforms attached to the haul rope of a passenger ropeway, and for servicing and repairing equipment and allow access to the various electrical and mechanical components on ropeway towers and stations along lift lines. This undertaking is funded by WorkSafe BC.

Endowment Funds

# Canada West Ski Areas Association

## Notes to the Financial Statements

For the Year Ended March 31, 2020  
(Unaudited)

### 2. Significant Accounting Policies continued

#### b. Fund Accounting continued

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 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

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

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

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

# Canada West Ski Areas Association

## Notes to the Financial Statements

For the Year Ended March 31, 2020  
(Unaudited)

### 2. Significant Accounting Policies continued

#### 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.

### 3. Receivables

	2020	2019
	\$	\$
Trade accounts receivable	\$ 351,128	\$ 70,050
Taxes recoverable	170	21,059
Other accounts receivable	18,156	18,360
<b>Total</b>	<b>\$ 369,454</b>	<b>\$ 109,469</b>

Trade accounts receivable is comprised of a government grant and membership dues receivable. The amount is shown net of a \$1,000 provision for anticipated non-renewal of memberships.

Taxes recoverable consists of GST refunds receivable.

Other accounts receivable consists of refundable deposits for the cancelled Spring Conference and program revenue receivables.

### 4. Prepaid expenses

Prepaid expenses consist of the following:

	2020	2019
	\$	\$
Spring Conference Deposits	\$ 27,060	\$ 162,919
Lease Deposit	4,200	4,200
Insurance	1,440	1,375
<b>Total</b>	<b>\$ 32,700</b>	<b>\$ 168,494</b>

# Canada West Ski Areas Association

Notes to the Financial Statements  
For the Year Ended March 31, 2020  
(Unaudited)

## 5. Investments

	Type	Maturity Date	Rate	Market Value \$	2020 \$	2019 \$
<b>Matured and Short Term</b>						
Accrued Interest				\$ -	\$ 2,097	\$ 2,395
Business Investment	Savings	None	0.2500	131,170	131,170	128,002
				131,170	133,267	130,397
<b>Long Term</b>						
Prospera	GIC-19 month	02/15/2021	2.0500	100,427	100,000	-
Prospera	GIC-15 month	05/27/2021	2.1000	100,230	100,000	-
Prospera	GIC-15 month	05/27/2021	2.1000	100,230	100,000	-
Prospera	GIC-18 month	07/09/2020	2.8500	56,314	55,955	54,394
Prospera	GIC-18 month	09/03/2020	2.8500	52,222	52,108	50,650
Prospera	GIC-18 month	02/17/2020	1.7500	-	-	100,882
Prospera	GIC-1 year	07/09/2019	1.3000	-	-	75,000
Prospera	GIC-18 month	01/09/2020	1.7500	-	-	75,662
RBC Bank	GIC-5 year	07/31/2024	2.0000	55,942	55,205	54,121
<b>Subtotal</b>				<b>465,365</b>	<b>463,268</b>	<b>410,709</b>
<b>Total</b>				<b>\$ 596,535</b>	<b>\$ 596,535</b>	<b>\$ 541,106</b>

# Canada West Ski Areas Association

Notes to the Financial Statements  
For the Year Ended March 31, 2020  
(Unaudited)

## 6. Property, plant and equipment

		2020	2019
	Cost	Accumulated Amortization	Net Book Value
	\$	\$	\$
Computer equipment	\$ 9,997	(4,833)	5,164
			778

## 7. Accounts payable and accrued expenses

		2020	2019
		\$	\$
Trade accounts payable	\$	52,837	78,820
Provincial Sales Tax payable		73	79
Other accrued liabilities		15,112	23,081
<b>Total</b>		<b>\$ 68,022</b>	<b>\$ 101,980</b>

Trade accounts payable are amounts owing to providers of marketing services, administered on behalf of BC Ski Areas and Destination BC. Also included in trade accounts payable are amounts owing for program expenses and general operating expenses.

Other accrued liabilities include accrued amounts owing for spring conference registrations refundable, accounting fees and employee vacation pay.

## 8. Deferred Revenue

Deferred revenue represents funds received in advance of program expenditures:

		2020	2019
		\$	\$
Spring Conference Registration and Sponsorship Fees	\$	-	266,223
Membership Dues		141,740	133,160
<b>Total</b>		<b>\$ 141,740</b>	<b>\$ 399,383</b>

# Canada West Ski Areas Association

## Notes to the Financial Statements

For the Year Ended March 31, 2020  
(Unaudited)

### 9. Due to related parties

Amounts due to related parties are rebates payable to member ski hills as part of a competitor pass equalization program.

### 10. Financial Risks

#### Credit Risk

Credit risk is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

#### Interest Rate Risk

Interest rate risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

#### Market Risk

Market risk is defined as the risk that the fair value future cash flows of a financial instrument will fluctuate because of changes in market prices.

#### Summary:

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

### 11. Government Funding

Destination BC provided \$623,250 in funding for the Experiences BC Alpine Ski Marketing Campaign, plus a further \$33,250 for the Experiences BC Nordic Ski Marketing Campaign.

Travel Alberta provided \$17,085 in funding for the Alberta Ski Industry Marketing Committee (ASIMC) Marketing Initiatives.

### 12. 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.

### 13. Subsequent events

#### COVID-19 Pandemic

During the month of March 2020, the World Health Organization declared the COVID-19 outbreak a global pandemic. Also in March 2020, Canadian provinces declared state of emergencies. The effects of these events on the next year's operations of CWSAA have been considered by management and management expects that most members will be renewing their memberships. The annual 2020 Spring Conference was cancelled. These revenues are normally offset by their related expenses and the effect on net revenues less expenditures will be minimal. CWSAA has significant reserves of cash and investments to continue operations into the foreseeable future.