

CANADIAN ADAPTIVE SNOWSPORTS
FINANCIAL STATEMENTS

AUGUST 31, 2019

CANADIAN ADAPTIVE SNOWSPORTS
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AUGUST 31, 2019

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INDEPENDENT AUDITOR'S REPORT

TO THE DIRECTORS OF CANADIAN ADAPTIVE SNOWSPORTS

Qualified Opinion

We have audited the financial statements of Canadian Adaptive Snowsports, which comprise the statement of financial position as at August 31, 2019, and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the "Basis for Qualified Opinion" paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at August 31, 2019 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for profit organizations (ASNPO).

Basis for Qualified Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Association in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

As is common with charitable organizations, the organization derives revenue from donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to donation revenues, excess of revenues over expenditures, assets and surplus.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



HRYSIUKE GALLINGER
Chartered Professional Accountants

Cranbrook, BC
November 25, 2019

**CANADIAN ADAPTIVE SNOWSPORTS
STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2019**

ASSETS		
	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash - Unrestricted	\$ 51,228	\$ 80,871
Marketable securities (Note 3)	123,430	120,417
Accounts receivable (Note 4)	40	10,621
Inventory (Note 5)	9,186	-
Due from government agencies	3,405	5,058
Prepaid expenses (Note 6)	<u>6,391</u>	<u>2,901</u>
	193,680	219,868
INTANGIBLE ASSET (Note 2)	<u>2,436</u>	<u>4,872</u>
	<u><u>\$ 196,116</u></u>	<u><u>\$ 224,740</u></u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 17,253	\$ 23,167
Due to government agencies	-	323
Accrued liabilities	9,338	8,979
Deferred revenues (Note 7)	<u>777</u>	<u>31,280</u>
	<u>27,368</u>	<u>63,749</u>
NET ASSETS		
UNRESTRICTED NET ASSETS	<u>168,748</u>	<u>160,991</u>
	<u><u>\$ 196,116</u></u>	<u><u>\$ 224,740</u></u>

APPROVED ON BEHALF OF THE BOARD:

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CANADIAN ADAPTIVE SNOWSPORTS
STATEMENT OF REVENUES AND EXPENDITURES - CONSOLIDATED
FOR THE YEAR ENDED AUGUST 31, 2019

	Budget		
	2019	2019	2018
REVENUES			
Grant revenues (Note 8)	\$ 36,942	\$ 14,599	\$ 56,414
Donations	68,550	93,474	44,393
Festival registration	21,800	23,868	9,680
Certification courses	33,580	26,300	28,796
Interest	2,000	3,013	417
Memberships	140,046	149,324	130,544
Outreach donations to transfer	15,905	15,010	14,689
Sales and special events	720	8,400	1,320
Banquet revenue	-	3,060	20
Sponsorships	35,000	33,400	34,000
	<u>354,543</u>	<u>370,448</u>	<u>320,273</u>
EXPENDITURES			
Accommodations, meals and travel	72,606	52,910	57,583
Amortization of manuals	-	2,436	2,436
Audit	7,600	9,738	9,328
Awards and gifts	8,265	3,391	4,220
Bank charges and interest	4,000	8,356	4,743
Bookkeeping	6,500	2,434	6,201
Bursaries	9,720	8,300	21,150
Committee expenses	600	5,787	1,250
Contract fees	102,397	119,269	108,479
Division allowance/Skimp grant	10,500	12,650	5,250
Dues and registration	-	25	75
Equipment rentals, meeting rooms and lift tickets	49,300	63,789	29,951
Festival expenses	10,720	12,407	1,040
Graphic design	1,200	578	550
Honorarium	5,000	600	-
Insurance	14,000	12,404	12,946
Membership transfers	-	10,494	2,556
Outreach donation transfers	15,905	15,010	14,689
Postage and courier	500	1,845	383
Printing	100	322	536
Public relations	1,000	6,754	5,420
Refunds (expense recovery)	300	102	-
Salaries	7,026	-	1,826
Supplies	-	5,693	6,318
Telephone, fax and internet	500	1,731	1,544
Training	-	-	378
Web software fees	6,500	5,666	11,465
	<u>334,239</u>	<u>362,691</u>	<u>310,317</u>
EXCESS OF REVENUES OVER EXPENDITURES			
FOR THE YEAR	<u>\$ 20,304</u>	<u>\$ 7,757</u>	<u>\$ 9,956</u>

CANADIAN ADAPTIVE SNOWSPORTS
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2019

	<u>2019</u>	<u>2018</u>
BALANCE - Beginning	\$ 160,991	\$ 151,035
Excess of revenues over expenditures for the year	<u>7,757</u>	<u>9,956</u>
BALANCE - Ending	<u><u>\$ 168,748</u></u>	<u><u>\$ 160,991</u></u>

CANADIAN ADAPTIVE SNOWSPORTS
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED AUGUST 31, 2019

	<u>2019</u>	<u>2018</u>
OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 7,757	\$ 9,956
Add: non cash items affecting operations		
Amortization	2,436	2,436
Accounts receivable	10,581	3,035
Inventory	(9,186)	-
Prepaid expenses	(3,490)	4,831
Accounts payable and accruals	(5,554)	(2,953)
Due to/from government agencies	1,330	(2,643)
Deferred revenues	<u>(30,504)</u>	<u>14,211</u>
	<u>(26,630)</u>	<u>28,873</u>
INVESTING ACTIVITIES		
Additions to intangible asset	-	(7,309)
Net investment in marketable securities	<u>(3,013)</u>	<u>(120,417)</u>
	<u>(3,013)</u>	<u>(127,726)</u>
DECREASE IN CASH	(29,643)	(98,853)
CASH, BEGINNING OF YEAR	<u>80,871</u>	<u>179,724</u>
CASH, END OF YEAR	<u><u>\$ 51,228</u></u>	<u><u>\$ 80,871</u></u>

**CANADIAN ADAPTIVE SNOWSPORTS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019**

1. PURPOSE OF THE ASSOCIATION

Canadian Adaptive Snowsports fosters opportunities for people with disabilities to experience healthy recreation and compete in alpine adaptive snowsports. The Association does this by developing and promoting adaptive snowsports through partnerships, leadership, training, and instructor certification programs.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and include the following significant accounting policies.

Revenue Recognition

Revenue, excluding contributions, is recognized when it is earned and, more specifically, when all the following conditions are met:

- Services are provided or products are delivered to customers,
- There is clear evidence that an arrangement exists,
- Amounts are fixed or can be determined,
- The ability to collect is reasonably assured,
- There are no significant obligations for future performance,
- The amount of future returns can be reasonably estimated.

Contributions

The Association follows the deferral method of accounting for contributions.

Contributed Services

The operations of the Association depend on the contribution of time by volunteers and directors to assist the Association in the delivery of programs and services. The fair market value of donated services cannot be reasonably determined and therefore are not reflected in the financial statements.

Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations (ASNPO) requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. These assumptions are based on a number of factors including historical experience, current events and actions that the Association may undertake in the future, and other assumptions believed reasonable in the circumstances. Actual results could differ from those estimates under different conditions and assumptions. Estimates are used when accounting for certain items such as useful lives of property, plant and equipment, impairment of long-lived assets, goodwill, employee future benefits, allowance for doubtful accounts, and provision for slow-moving inventories and income taxes.

**CANADIAN ADAPTIVE SNOWSPORTS
NOTES TO FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED AUGUST 31, 2019**

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Intangible asset

Intangible asset consists of the investment in the development, production, translation and related upgrades to the National registry for a new adaptive coaching certification process and manual in 2015 (the "2015 Certification Technical Manual") stated at historical cost. This manual is fully amortized. In 2018 the Association incurred additional costs to upgrade this manual. Amortization is provided on a straightline basis over the useful life of the asset, which management has determined is 3 years.

Measurement of Financial Instruments

The Association initially measures its financial assets and financial liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash, marketable securities and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Income Taxes

The Association is a registered charity under the Income Tax Act.

Incorporation

The Association is incorporated under the Canada Not-for-profit Corporations Act.

3. MARKETABLE SECURITIES

Marketable securities consist of an investment savings account in the amount of \$874 and guaranteed investment certificates held with RBC Dominion Securities Inc.

The guaranteed investment certificates including accrued interest in the amount of \$2,556 are as follows:

<u>Amount</u>	<u>Maturity date</u>	<u>Interest rate</u>
\$ 20,378	January 6, 2020	2.90%
\$ 20,628	June 29, 2020	2.67%
\$ 20,394	January 4, 2021	3.01%
\$ 20,665	June 28, 2021	2.83%
\$ 20,414	January 4, 2022	3.16%
\$ 20,077	June 28, 2022	2.20%

CANADIAN ADAPTIVE SNOWSPORTS
NOTES TO FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED AUGUST 31, 2019

4. ACCOUNTS RECEIVABLE

The amounts shown on the Statement of Financial Position for accounts receivable consist of the following:

	<u>2019</u>	<u>2018</u>
Memberships, donations, and funding receivable	\$ 29	\$ 10,621
Operations manager	11	-
	<u>\$ 40</u>	<u>\$ 10,621</u>

5. INVENTORY

The inventory of items on hand at year end is stated at cost.

6. PREPAID EXPENSES

Prepaid expenses consist of the following:

	<u>2019</u>	<u>2018</u>
Prepaid license	\$ 3,428	\$ -
Prepaid insurance	2,963	2,901
	<u>\$ 6,391</u>	<u>\$ 2,901</u>

7. DEFERRED REVENUES

Deferred revenue consists of grant funds received in the current year for costs to be incurred in subsequent periods as follows:

	<u>2019</u>	<u>2018</u>
Canadian Paralympic Committee	\$ -	\$ 10,000
Canadian Tire Jumpstart	313	1,875
Mountain Equipment Co-Operative	464	3,500
The Lesley Binnion Foundation for Disabled Sports	-	15,905
	<u>\$ 777</u>	<u>\$ 31,280</u>

8. GRANT REVENUES

Grant revenues consist of the following:

	<u>2019</u>	<u>2018</u>
Alpine Canada	\$ -	\$ 5,000
Canadian Paralympic Committee	10,000	17,069
Canadian Tire Jumpstart	1,563	18,125
Mountain Equipment Co-Operative	3,036	16,220
	<u>\$ 14,599</u>	<u>\$ 56,414</u>

**CANADIAN ADAPTIVE SNOWSPORTS
NOTES TO FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED AUGUST 31, 2019**

9. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of the following:

- Cash
- Marketable securities
- Accounts receivable
- Accounts payable and accrued liabilities

The Association is exposed to various risks through its financial instruments. The following describes the exposures to those risks, how they arise, any changes in risk exposures from the previous period, and any concentrations of risk.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

The Association's exposure to risk did not change significantly during the period.

It is management's opinion that the Association is not exposed to significant interest, currency, or credit risks arising from these financial instruments.

**CANADIAN ADAPTIVE SNOWSPORTS
REVENUES AND EXPENDITURES
- ADMINISTRATION AND PROFESSIONAL STAFF
FOR THE YEAR ENDED AUGUST 31, 2019**

Schedule A-1

	<u>2019</u>	<u>2018</u>
REVENUES		
Grant revenues	\$ 10,000	\$ 22,069
Donations	2,886	7,535
Interest	3,013	417
Memberships	149,324	130,544
Outreach donations to transfer	15,010	14,689
Sales and special events	-	1,320
	<u>180,233</u>	<u>176,574</u>
EXPENDITURES		
Accommodations, meals and travel	4,851	1,391
Amortization of manuals	2,436	2,436
Audit	9,738	9,328
Awards and gifts	200	-
Bank charges and interest	8,016	4,021
Bookkeeping	2,434	6,201
Bursaries	-	18,150
Contract fees	97,212	89,713
Dues and registration	25	-
Insurance	10,904	11,701
Membership transfers	8,478	1,736
Outreach donation transfers	15,010	14,689
Postage and courier	155	-
Public relations	6,448	-
Refunds (expense recovery)	20	-
Supplies	81	-
Telephone, fax and internet	1,425	1,270
Web software fees	5,542	10,985
	<u>172,975</u>	<u>171,621</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$ <u>7,258</u>	\$ <u>4,953</u>

**CANADIAN ADAPTIVE SNOWSPORTS
REVENUES AND EXPENDITURES
- FUND RAISING
FOR THE YEAR ENDED AUGUST 31, 2019**

Schedule A-2

	<u>2019</u>	<u>2018</u>
REVENUES		
Grant revenues	\$ 4,599	\$ 34,345
Donations	31,120	451
Certification courses	7,500	-
Sales and special events	200	-
	<u>43,419</u>	<u>34,796</u>
EXPENDITURES		
Accommodations, meals and travel	264	64
Bank charges and interest	114	-
Bursaries	6,500	-
Contract fees	6,676	10,261
Festival expenses	906	-
Membership transfers	2,000	-
Public relations	306	2,809
	<u>16,766</u>	<u>13,134</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ 26,653</u>	<u>\$ 21,662</u>

**CANADIAN ADAPTIVE SNOWSPORTS
REVENUES AND EXPENDITURES
- BOARD OF DIRECTORS
FOR THE YEAR ENDED AUGUST 31, 2019**

Schedule A-3

	<u>2019</u>	<u>2018</u>
EXPENDITURES		
Accommodations, meals and travel	2,779	14,037
Equipment rentals, meeting rooms and lift tickets	139	-
Insurance	1,500	1,245
Public relations	-	170
Telephone, fax and internet	215	-
Web software fees	-	481
	<u>4,633</u>	<u>15,933</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>\$ (4,633)</u>	<u>\$ (15,933)</u>

**CANADIAN ADAPTIVE SNOWSPORTS
REVENUES AND EXPENDITURES
- COMMITTEES
FOR THE YEAR ENDED AUGUST 31, 2019**

Schedule A-4

	<u>2019</u>	<u>2018</u>
REVENUES		
Donations	\$ -	\$ 500
Certification courses	26,100	14,616
Sales and special events	<u>8,140</u>	<u>-</u>
	<u>34,240</u>	<u>15,116</u>
EXPENDITURES		
Accommodations, meals and travel	34,058	26,298
Awards and gifts	-	62
Bank charges and interest	-	723
Bookkeeping	1,800	-
Committee expenses	5,787	-
Contract fees	11,480	7,755
Division allowance/Skimp grant	500	-
Dues and registration	-	75
Equipment rentals, meeting rooms and lift tickets	3,853	642
Graphic design	578	300
Membership transfers	17	820
Postage and courier	960	383
Printing	29	229
Public relations	-	825
Refunds (expense recovery)	60	-
Salaries	-	1,826
Supplies	4,272	6,318
Telephone, fax and internet	92	153
Training	-	378
Web software fees	<u>600</u>	<u>-</u>
	<u>64,086</u>	<u>46,787</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	\$ <u>(29,846)</u>	\$ <u>(31,671)</u>

**CANADIAN ADAPTIVE SNOWSPORTS
REVENUES AND EXPENDITURES
- ALPINE FESTIVAL
FOR THE YEAR ENDED AUGUST 31, 2019**

Schedule A-5

	<u>2019</u>	<u>2018</u>
REVENUES		
Donations	\$ 59,468	\$ 35,907
Festival registration	24,068	23,860
Sales and special events	60	-
Banquet revenue	3,060	20
Sponsorships	<u>25,900</u>	<u>34,000</u>
	<u>112,556</u>	<u>93,787</u>
EXPENDITURES		
Accommodations, meals and travel	10,956	15,790
Awards and gifts	3,191	4,158
Bank charges and interest	226	-
Bursaries	-	3,000
Committee expenses	-	1,250
Contract fees	3,901	750
Division allowance/Skimp grant	12,150	5,250
Equipment rentals, meeting rooms and lift tickets	59,797	29,309
Festival expenses	11,502	1,040
Graphic design	-	250
Postage and courier	729	-
Printing	292	307
Public relations	-	1,616
Refunds (expense recovery)	22	-
Supplies	1,341	-
Telephone, fax and internet	-	122
Web software fees	<u>124</u>	<u>-</u>
	<u>104,231</u>	<u>62,842</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ 8,325</u>	<u>\$ 30,945</u>