

**DRAFT**  
FOR DISCUSSION  
PURPOSES ONLY

**CANADIAN ADAPTIVE SNOWSPORTS**  
**FINANCIAL STATEMENTS**

**AUGUST 31, 2017**



**CANADIAN ADAPTIVE SNOWSPORTS  
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AUGUST 31, 2017**

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**INDEPENDENT AUDITORS' REPORT**

**TO THE DIRECTORS  
CANADIAN ADAPTIVE SNOWSPORTS**

We have audited the accompanying financial statements of Canadian Adaptive Snowsports, which comprise the statement of financial position as at August 31, 2017, and the statements of revenues and expenditures, and cash flow 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 not-for-profit organizations, 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.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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***Basis for Qualified Opinion***

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.

***Qualified Opinion***

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Canadian Adaptive Snowsports as at August 31, 2017 and its financial performance for the year then ended, in accordance with Canadian generally accepted accounting standards for not-for profit organizations.

*Hryciuk Gallinger*

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**HRYCIUK GALLINGER**

Chartered Professional Accountants

Cranbrook, British Columbia



**CANADIAN ADAPTIVE SNOWSPORTS  
STATEMENT OF FINANCIAL POSITION  
AS AT AUGUST 31, 2017**

For discussion purposes  
*only on February 19, 2018*

<b>ASSETS</b>		
	<u>2017</u>	<u>2016</u>
<b>CURRENT ASSETS</b>		
Cash - Unrestricted	\$ 179,724	\$ 136,853
Accounts receivable (Note 3)	13,656	-
Due from government agencies	2,092	4,783
Prepaid expenses (Note 4)	<u>7,732</u>	<u>2,629</u>
	203,204	144,265
<b>INTANGIBLE ASSET</b> (Note 2)	<u>-</u>	<u>4,472</u>
	<u>\$ 203,204</u>	<u>\$ 148,737</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 28,616	\$ 1,577
Accrued liabilities	6,483	8,161
Deferred revenue (Note 5)	<u>17,069</u>	<u>-</u>
	<u>52,168</u>	<u>9,738</u>
<b>MEMBERS' EQUITY</b>		
<b>UNRESTRICTED SURPLUS</b>	<u>151,036</u>	<u>138,999</u>
	<u>\$ 203,204</u>	<u>\$ 148,737</u>

**SIGNIFICANT EVENT** (Note 7)

**APPROVED ON BEHALF OF THE BOARD:**

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**CANADIAN ADAPTIVE SNOWSPORTS**  
**STATEMENT OF REVENUES AND EXPENDITURES - CONSOLIDATED** For discussion purposes  
**FOR THE YEAR ENDED AUGUST 31, 2017** *only on February 19, 2018*

	<b>Budget</b>		
	<b>2017</b>	<b>2017</b>	<b>2016</b>
<b>GRANT REVENUES</b>			
Canada Paralympic Committee grant	\$ -	\$ 10,531	\$ -
Alpine Canada grant	5,000	5,000	5,000
<b>REVENUES</b>			
Donations	20,413	94,929	52,094
Expense recovery	8,425	-	8,425
Fees	20,510	28,814	21,410
Certification courses	13,327	29,031	13,327
Memberships	108,917	116,051	108,917
Divisional donations to transfer	1,605	29,222	15,770
Sales and special events	51,570	835	34,618
Banquet revenue	5,735	-	5,135
Sponsorships - other	-	4,000	-
Sponsorship - Lesley Binnion Foundation	25,000	25,000	25,000
	<u>260,502</u>	<u>343,413</u>	<u>289,696</u>
<b>EXPENDITURES</b>			
Accommodations, meals and travel	42,673	53,061	50,857
Amortization of manuals	4,472	4,472	4,472
Audit	-	6,048	6,560
Awards and gifts	-	6,824	2,357
Bank charges and interest	5,101	5,512	5,295
Bookkeeping	3,859	4,121	4,146
Committee expenses	6,231	6,137	-
Contract fees	68,457	85,732	66,201
Division allowance/Skimp grant	9,350	11,350	9,350
Divisional donation transfers	14,970	29,222	15,770
Dues and registration	245	-	1,745
Equipment rentals, meeting rooms and lift tickets	1,567	57,395	30,717
Honorarium	5,750	1,900	5,250
Insurance	13,326	9,369	13,433
Internet	3,698	4,817	4,006
Membership transfers	11,890	11,650	11,890
Merchandise purchases	5,726	-	5,726
Postage and courier	828	263	669
Printing	2,154	326	257
Ski passes	8,200	-	8,200
Special events	47,655	30,300	45,298
Supplies	1,929	779	2,088
Telephone and fax	1,331	2,098	1,331
	<u>259,412</u>	<u>331,376</u>	<u>295,618</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES FOR THE YEAR</b>	<u>\$ 1,090</u>	<u>\$ 12,037</u>	<u>\$ (5,922)</u>

**CANADIAN ADAPTIVE SNOWSPORTS  
STATEMENT OF UNRESTRICTED SURPLUS  
FOR THE YEAR ENDED AUGUST 31, 2017**

For discussion purposes  
*only on February 19, 2018*

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	<u>2017</u>	<u>2016</u>
<b>BALANCE - Beginning</b>	\$ 138,999	\$ 144,921
Excess (deficiency) of revenues over expenditures for the year	<u>12,037</u>	<u>(5,922)</u>
<b>BALANCE - Ending</b>	<u>\$ 151,036</u>	<u>\$ 138,999</u>

**CANADIAN ADAPTIVE SNOWSPORTS  
STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED AUGUST 31, 2017**

For discussion purposes  
*only on February 19, 2018*

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	<u>2017</u>	<u>2016</u>
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenditures	\$ 12,037	\$ (5,922)
Add: non cash items affecting operations		
Amortization	4,472	4,472
Accounts receivable	(13,656)	25,743
Prepaid expenses	(5,103)	(2,390)
Accounts payable and accruals	25,361	798
Due to/from government agencies	2,691	(1,007)
Deferred income	<u>17,069</u>	<u>(125)</u>
	<u>42,871</u>	<u>21,569</u>
<b>INCREASE IN CASH</b>	42,871	21,569
<b>CASH, BEGINNING OF YEAR</b>	<u>136,853</u>	<u>115,284</u>
<b>CASH, END OF YEAR</b>	<u>\$ 179,724</u>	<u>\$ 136,853</u>



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## **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.

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## **2. SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Presentation**

These 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.

The Association uses the restricted fund method to recognize contributions.

### **Contributed Services**

Volunteers and directors contribute an undetermined number of hours per year to assist the Association in the delivery of programs and services. Due to the difficulty of recording and determining their fair market value, contributed services are not recognized in the financial statements.

### **Use of Estimates**

The preparation of financial statements in accordance 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, revenues and expenses and disclosure of contingent assets and liabilities. 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.

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**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. Amortization is provided on a straightline basis over the useful life of the asset, which management has determined is 3 years. During the current year this manual became fully amortized.

**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 measured at amortized cost include cash 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. ACCOUNTS RECEIVABLE**

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

	<u>2017</u>	<u>2016</u>
Memberships, donations, and funding receivable	\$ 6,900	\$ -
Executive director - Christian Hrab	<u>6,756</u>	<u>-</u>
	<u>\$ 13,656</u>	<u>\$ -</u>

**4. PREPAID EXPENSES**

Prepaid expenses consist of the following:

	<u>2017</u>	<u>2016</u>
Website development	\$ 1,000	\$ 2,629
Prepaid license	2,844	-
Prepaid insurance	2,888	-
Prepaid deposit	<u>1,000</u>	<u>-</u>
	<u>\$ 7,732</u>	<u>\$ 2,629</u>



## **5. DEFERRED REVENUE**

Deferred revenue consists of grant funds received for skill development and quality program costs in the subsequent year.

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## **6. FINANCIAL INSTRUMENTS**

The Association's financial instruments consist of the following:

- Cash
- 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.

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## **7. SIGNIFICANT EVENT**

On July 17, 2017 the Association changed its name from the Canadian Association for Disabled Skiing to Canadian Adaptive Snowsports.

**CANADIAN ADAPTIVE SNOWSPORTS  
REVENUES AND EXPENDITURES**

**- ADMINISTRATION AND PROFESSIONAL STAFF Schedule A-1 For discussion purposes  
FOR THE YEAR ENDED AUGUST 31, 2017 only on February 19, 2018**

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	<u>2017</u>	<u>2016</u>
<b>GRANT REVENUES</b>		
Canada Paralympic Committee grant	\$ 10,531	\$ -
Alpine Canada grant	5,000	5,000
<b>REVENUES</b>		
Donations	17,157	13,794
Expense recovery	-	8,425
Certification courses	28,835	13,327
Memberships	116,051	108,917
Divisional donations to transfer	29,222	15,770
Sales	835	7,034
	<u>207,631</u>	<u>172,267</u>
<b>EXPENDITURES</b>		
Accommodations, meals and travel	10,554	1,785
Amortization of manuals	4,472	4,472
Audit	6,048	6,560
Awards and gifts	745	-
Bank charges and interest	5,260	4,905
Bookkeeping	4,121	4,146
Committee expenses	5,516	-
Contract fees	76,264	66,201
Dues and registration	-	1,745
Equipment rentals, meeting rooms and lift tickets	-	2,017
Insurance	9,369	13,433
Internet	4,817	4,006
Merchandise purchases	-	5,726
Membership transfers	11,650	11,890
Divisional donation transfers	29,222	15,770
Postage and courier	263	669
Printing	-	257
Ski passes	-	8,200
Special events	1,431	372
Supplies	376	1,712
Telephone and fax	1,985	1,331
	<u>172,093</u>	<u>155,197</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>\$ 35,538</u>	<u>\$ 17,070</u>

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**CANADIAN ADAPTIVE SNOWSPORTS  
REVENUES AND EXPENDITURES  
- FUND RAISING  
FOR THE YEAR ENDED AUGUST 31, 2017**

**Schedule A-2 For discussion purposes  
only on February 19, 2018**

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	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Donations	\$ <u>18,344</u>	\$ <u>-</u>
<b>EXPENDITURES</b>		
Accommodations, meals and travel	1,065	-
Bank charges and interest	<u>251</u>	<u>-</u>
	<u>1,316</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>\$ 17,028</u>	<u>\$ -</u>

**CANADIAN ADAPTIVE SNOWSPORTS  
REVENUES AND EXPENDITURES  
- BOARD OF DIRECTORS  
FOR THE YEAR ENDED AUGUST 31, 2017**

**Schedule A-3 For discussion purposes  
only on February 19, 2018**

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	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Donations	\$ <u>2,266</u>	\$ <u>-</u>
<b>EXPENDITURES</b>		
Accommodations, meals and travel	7,059	7,046
Equipment rentals, meeting rooms and lift tickets	233	-
Supplies	<u>-</u>	<u>44</u>
	<u>7,292</u>	<u>7,090</u>
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	<u>\$ (5,026)</u>	<u>\$ (7,090)</u>

**CANADIAN ADAPTIVE SNOWSPORTS  
REVENUES AND EXPENDITURES  
- COMMITTEES  
FOR THE YEAR ENDED AUGUST 31, 2017**

**Schedule A-4** For discussion purposes  
*only on February 19, 2018*

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	<u>2017</u>	<u>2016</u>
<b>EXPENDITURES</b>		
Accommodations, meals and travel	\$ 21,668	\$ 26,695
Awards and gifts	80	-
Committee expenses	621	-
Contract fees	8,068	-
Honorarium	1,900	-
Printing	326	-
Special events	9,502	-
Supplies	343	-
Telephone and fax	<u>34</u>	<u>-</u>
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	<u>\$ (42,542)</u>	<u>\$ (26,695)</u>

**CANADIAN ADAPTIVE SNOWSPORTS  
REVENUES AND EXPENDITURES  
- ALPINE FESTIVAL  
FOR THE YEAR ENDED AUGUST 31, 2017**

**Schedule A-5 For discussion purposes  
only on February 19, 2018**

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Donations	\$ 57,162	\$ 28,700
Fees	29,010	21,410
Banquet revenue	-	5,135
Sponsorship - other	4,000	-
Sponsorship - Lesley Binnion Foundation	<u>25,000</u>	<u>25,000</u>
	<u>115,172</u>	<u>80,245</u>
<b>EXPENDITURES</b>		
Accommodations, meals and travel	12,716	15,330
Awards and gifts	6,000	2,357
Bank charges and interest	-	390
Contract fees	1,400	-
Division allowance/Skimp grant	11,350	9,350
Equipment rentals, meeting rooms and lift tickets	57,162	28,700
Honorarium	-	5,250
Special events	19,366	9,527
Supplies	60	333
Telephone and fax	79	-
	<u>108,133</u>	<u>71,237</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>\$ 7,039</u>	<u>\$ 9,008</u>



**CANADIAN ADAPTIVE SNOWSPORTS  
REVENUES AND EXPENDITURES  
MUSTANG CAT SKIING- SPECIAL EVENTS  
FOR THE YEAR ENDED AUGUST 31, 2017**

**Schedule A-6 For discussion purposes  
only on February 19, 2018**

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	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Donations	\$ -	\$ 9,600
Fees	<u>-</u>	<u>27,584</u>
	<u>-</u>	<u>37,184</u>
<b>EXPENDITURE</b>		
Special events	<u>-</u>	<u>35,399</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>\$ -</u>	<u>\$ 1,785</u>