

**DISABLED SKIERS ASSOCIATION OF B.C.
(DBA B.C. ADAPTIVE SNOWSPORTS)**

Vancouver, B.C.

FINANCIAL STATEMENTS

April 30, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of Disabled Skiers Association of B.C. (DBA B.C. Adaptive Snowsports):

We have audited the accompanying financial statements of Disabled Skiers Association of B.C. (DBA B.C. Adaptive Snowsports), which comprise the statement of financial position as at April 30, 2016, and the statement of operations, statement of changes in net assets 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 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.

Auditor's 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 audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Disabled Skiers Association of B.C. (DBA B.C. Adaptive Snowsports) as at April 30, 2016, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the *Society Act* (British Columbia), we report that, in our opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis.

WOLRIGE MAHON LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

August 24, 2016
Vancouver, B.C.

**DISABLED SKIERS ASSOCIATION OF B.C.
(DBA B.C. ADAPTIVE SNOWSPORTS)**

STATEMENT OF OPERATIONS

For the year ended April 30, 2016

	2016	2015
	\$	\$
Revenue		
Provincial government	242,701	289,851
Fundraising	170,053	176,405
Memberships, dues, and association fees	121,856	108,012
Gifts	48,060	15,025
Interest and investment income	9,076	7,984
	591,746	597,277
Expenditures		
Amortization of property and equipment	12,931	11,896
Amortization of intangible asset	4,492	4,492
Assistance funding	3,167	8,425
Bank charges and interest	4,940	5,386
Education and training	1,233	2,229
Entry fees	30,408	24,416
Equipment expense	15,836	31,092
Events	60,073	46,960
Honorariums	9,185	3,925
Insurance	2,835	4,402
Marketing and promotion	3,459	3,465
Meals and entertainment	8,914	11,166
Meetings	1,311	2,026
Membership dues	40,078	39,370
Occupancy cost	12,732	12,171
Office	3,224	8,084
Professional fees	23,346	10,843
Staffing	270,509	307,711
Telephone, data and IT	7,101	10,481
Travel	48,654	56,715
	564,428	605,255
Excess (deficiency) of revenue over expenditures	27,318	(7,978)

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

**DISABLED SKIERS ASSOCIATION OF B.C.
(DBA B.C. ADAPTIVE SNOWSPORTS)**

STATEMENT OF CHANGES IN NET ASSETS

For the year ended April 30, 2016

	Unrestricted \$	Invested in Tangible Capital Assets \$	Invested in Intangible Capital Assets \$	Total 2016 \$	Total 2015 \$
Balance, beginning	64,212	35,650	4,492	104,354	112,332
Excess (deficiency) of revenue over expenditures	27,318	-	-	27,318	(7,978)
Amortization	17,423	(12,931)	(4,492)	-	-
Balance, ending	108,953	22,719	-	131,672	104,354

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

**DISABLED SKIERS ASSOCIATION OF B.C.
(DBA B.C. ADAPTIVE SNOWSPORTS)**

STATEMENT OF FINANCIAL POSITION

April 30, 2016

	2016 \$	2015 \$
Assets		
Current		
Cash	106,887	60,379
Receivables	33,800	32,506
GST receivable	4,149	4,827
Prepaid expenses (Note 7)	9,716	7,303
	<u>154,552</u>	<u>105,015</u>
Property and equipment (Note 2)	22,719	35,650
Intangible asset (Note 3)	-	4,492
	<u>177,271</u>	<u>145,157</u>
Liabilities		
Current		
Payables and accruals	34,040	27,432
Deferred revenue (Note 4)	11,559	13,371
	<u>45,599</u>	<u>40,803</u>
Net Assets		
Unrestricted	108,953	64,212
Invested in tangible capital assets	22,719	35,650
Invested in intangible capital assets	-	4,492
	<u>131,672</u>	<u>104,354</u>
	<u>177,271</u>	<u>145,157</u>

Commitments (Note 7)

Approved by Directors:





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

**DISABLED SKIERS ASSOCIATION OF B.C.
(DBA B.C. ADAPTIVE SNOWSPORTS)**

STATEMENT OF CASH FLOWS

For the year ended April 30, 2016

	2016 \$	2015 \$
Cash flows related to operating activities		
Excess (deficiency) of revenue over expenditures	27,318	(7,978)
Adjustments for items not affecting cash:		
Amortization of property and equipment	12,931	11,896
Amortization of intangible asset	4,492	4,492
	<u>44,741</u>	<u>8,410</u>
Changes in non-cash working capital:		
Receivables	(1,294)	(25,343)
GST receivable	678	10,335
Prepaid expenses	(2,413)	(1,103)
Payables and accruals	6,608	17,569
Deferred revenue	(1,812)	(43,796)
	<u>46,508</u>	<u>(33,928)</u>
Cash flows related to investing activity		
Purchase of property and equipment	-	(10,661)
	<u>-</u>	<u>(10,661)</u>
Net increase (decrease) in cash	46,508	(44,589)
Cash, beginning	60,379	104,968
	<u>106,887</u>	<u>60,379</u>
Cash, ending	106,887	60,379

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

DISABLED SKIERS ASSOCIATION OF B.C. (DBA B.C. ADAPTIVE SNOWSPORTS)

NOTES

For the year ended April 30, 2016

The Disabled Skiers Association of B.C. (DBA B.C. Adaptive Snowsports) (the "association") is a non-profit organization incorporated under the Society Act of British Columbia. The association promotes and provides skiing programs and services to all persons with a disability. Under the provisions of the Income Tax Act, the Association is a charitable organization and is exempt from Canadian federal and provincial income taxes.

Note 1 Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies:

Property and Equipment

Property and equipment are carried at cost less accumulated amortization. Amortization is calculated annually as follows:

Equipment	- 5 years	straight-line
Technical program equipment	- 3 years	straight-line
Computer hardware	- 3 years	straight-line

except in the year of acquisition, at which time amortization is provided for at one-half the annual rate.

Intangible Assets

Intangible assets with finite lives are carried at cost less accumulated amortization. Amortization is calculated annually as follows:

Website development	- 3 years	straight-line
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Impairment of Long-lived Assets

When an item of property and equipment or an intangible asset no longer has any long-term service potential to the association, the excess of its carrying amount over any residual value is recognized as an expense in the statement of operations.

Revenue Recognition

The Association follows the deferral method of accounting for revenue. Restricted contributions are recorded as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

DISABLED SKIERS ASSOCIATION OF B.C. (DBA B.C. ADAPTIVE SNOWSPORTS)

NOTES

For the year ended April 30, 2016

Note 1 Significant Accounting Policies (continued)

Financial Instruments

Measurement of financial instruments

The association measures its financial assets and financial liabilities at fair value at the acquisition date, except for financial assets and financial liabilities acquired in related party transactions. Transaction costs related to the acquisition of financial instruments subsequently measured at fair value are recognized in excess (deficiency) of revenue over expenditures when incurred. The carrying amounts of financial instruments not subsequently measured at fair value are adjusted by the amount of the transaction costs directly attributable to the acquisition of the instrument.

The association subsequently measures all of its financial assets and financial liabilities at amortized cost.

Impairment

Financial assets measured at amortized cost are assessed for indications of impairment at the end of each reporting period. If impairment is identified, the amount of the write-down is recognized as an impairment loss in excess (deficiency) of revenue over expenditures. Previously recognized impairment losses are reversed when the extent of the impairment decreases, provided that the adjusted carrying amount is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess (deficiency) of revenue over expenditures.

Contributed Materials and Services

Contributed materials and services are not recognized in the financial statements unless they are substantial, a fair value can be reasonably estimated, and the materials and services are used in the normal course of operations and would otherwise have been purchased. No contributed materials and services were recognized in the years ending 2016 and 2015.

Use of Estimates

The preparation of financial statements in conformity 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**DISABLED SKIERS ASSOCIATION OF B.C.
(DBA B.C. ADAPTIVE SNOWSPORTS)**

NOTES

For the year ended April 30, 2016

Note 2 Property and Equipment

	Cost \$	2016 Accumulated Amortization \$	Net \$	2015 Net \$
Equipment	121,496	100,236	21,260	31,132
Technical program equipment	2,918	1,459	1,459	2,432
Computer hardware	6,256	6,256	-	2,086
	<u>130,670</u>	<u>107,951</u>	<u>22,719</u>	<u>35,650</u>

The total amortization expense of property and equipment for the year was \$12,931 (2015: \$11,896).

Note 3 Intangible Asset

	Cost \$	2016 Accumulated Amortization \$	Net \$	2015 Net \$
Website development	13,476	13,476	-	4,492

The total amortization expense of intangible assets for the year was \$4,492 (2015: \$4,492).

Note 4 Deferred Revenue

Changes in deferred revenue are as follows:

	Balance April 30, 2015 \$	Funding Received \$	Revenue Recognized \$	Balance April 30, 2016 \$
Gaming Funds	2,020	90,000	(92,020)	-
Via Sport BC grant	10,726	149,537	(148,704)	11,559
Fundraising revenue	625	-	(625)	-
	<u>13,371</u>	<u>239,537</u>	<u>(241,349)</u>	<u>11,559</u>

DISABLED SKIERS ASSOCIATION OF B.C. (DBA B.C. ADAPTIVE SNOWSPORTS)

NOTES

For the year ended April 30, 2016

Note 5 Endowment Fund

The Disabled Skiers Association of B.C. Endowment Fund was established with the Vancouver Foundation on November 8, 1981 with a contribution from the association of \$100,000. The primary investment objective of this fund is to provide long-term continuance of the purpose of the association. The association does not reflect the fund in its financial statements because it lacks discretion over the investment of the capital of the fund. If the association ceases to exist, the Vancouver Foundation will disburse the funds based on the fund's primary objective, or, alternatively, for such other charitable purposes determined by the Directors of the Vancouver Foundation. The quoted market value of the securities underlying the fund's capital as at April 30, 2016 was \$231,153 (2015: \$236,569). Investment income received from the fund in the year totalled \$8,179 (2015: \$7,734).

Note 6 Financial Instruments

Items that meet the definition of a financial instrument include cash, receivables and payables and accruals.

It is management's opinion that the association is not exposed to significant currency risk, interest rate risk or other price risk arising from these financial instruments. The following is a summary of the significant financial instrument risks:

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. It is management's opinion that the association is not exposed to significant liquidity risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The association is exposed to credit risk in connection with its receivables. The association provides credit to members and athletes in the normal course of operations.

Market 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. It is management's opinion that the association is not exposed to significant currency risk, interest rate risk, or other price risk.

**DISABLED SKIERS ASSOCIATION OF B.C.
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NOTES

For the year ended April 30, 2016

Note 7 Commitments

The association has committed to an annual Gala location, which is subject to a minimum expenditure commitment of \$22,000. Of this amount, \$5,000 was paid as a deposit in 2016 and is included in prepaid expenses.

The association has a five-year lease for its office premises ending February 27, 2017. The minimum lease payments under this agreement for 2017 are \$10,610.

Note 8 Comparative Figures

Certain 2015 comparative figures have been reclassified to conform with the financial statement presentation adopted for 2016.