

Financial Statements of

BC FREESTYLE SKI ASSOCIATION

And Independent Auditor's Report thereon

Year ended April 30, 2025



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of BC Freestyle Ski Association

Opinion

We have audited the financial statements of BC Freestyle Ski Association (the Entity), which comprise:

- the statement of financial position as at April 30, 2025
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at April 30, 2025 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for 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 auditor's report.

We are independent of the Entity in accordance with the 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.

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

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 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.



In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities 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 the 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.



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- 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.
- 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a long, horizontal, slightly curved line that serves as a decorative underline.

Chartered Professional Accountants

Vernon, Canada

October 3, 2025

BC FREESTYLE SKI ASSOCIATION

Statement of Financial Position

April 30, 2025, with comparative information for 2024

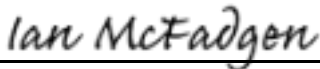
	2025	2024
Assets		
Current assets:		
Cash	\$ 93,144	\$ 242,376
Accounts receivable	27,841	31,578
Goods and services tax recoverable	2,752	-
Prepaid expenses	16,387	17,245
	<u>140,124</u>	<u>291,199</u>
Capital assets (note 2)	31,103	39,506
	<u>\$ 171,227</u>	<u>\$ 330,705</u>

Liabilities and Net Assets

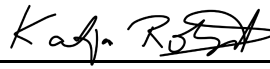
Current liabilities:		
Accounts payable (note 3)	\$ 23,345	\$ 55,487
GST payable	-	28,285
Deferred revenue (note 4)	25,547	43,561
	<u>48,892</u>	<u>127,333</u>
Net assets:		
Unrestricted	90,713	93,347
Investment in capital assets	31,622	40,025
Internally restricted	-	70,000
	<u>122,335</u>	<u>203,372</u>
Contingent liabilities (note 5)		
	<u>\$ 171,227</u>	<u>\$ 330,705</u>

See accompanying notes to financial statements.

On behalf of the Board:



Ian McFadgen, President



Katja Roberts, Treasurer

BC FREESTYLE SKI ASSOCIATION

Statement of Operations

Year ended April 30, 2025, with comparative information for 2024

	2025	2024
Revenue:		
Government Funding:		
BC Gaming Grant	\$ 40,000	\$ 40,000
viaSport BC	227,460	310,085
BC fairs, festivals and events	13,400	43,700
Operations:		
BC team fees	168,621	148,621
CWSAA competitor pass	35,157	33,224
Event registration	90,277	104,721
Fundraising	2,136	13,363
Membership dues	116,561	119,202
Sponsorship income	11,458	3,500
Sport development	50,202	69,625
	<u>755,272</u>	<u>886,041</u>
Expenses:		
Advertising and promotion	27,927	29,885
Amortization	8,403	10,062
BC team program support	25,089	30,109
Bad debts	859	2,396
Bank and processing fees	7,385	2,424
CWSAA competitor pass	35,525	29,059
Contracted services	176,168	211,201
Event fees	35,417	51,454
Insurance	1,522	2,103
Membership and dues	3,003	2,161
Professional fees	17,943	20,979
Salaries and benefits	207,361	199,200
Sport development	149,849	154,546
Supplies and equipment	10,436	16,276
Travel	132,292	118,641
	<u>839,179</u>	<u>880,496</u>
Excess (deficiency) of revenue over expenses before other income	(83,907)	5,545
Other income:		
Gain on sale of capital assets	-	2,355
Interest income	2,870	155
	<u>2,870</u>	<u>2,510</u>
Excess (deficiency) of revenue over expenses	<u>\$ (81,037)</u>	<u>\$ 8,055</u>

See accompanying notes to financial statements.

BC FREESTYLE SKI ASSOCIATION

Statement of Changes in Net Assets

Year ended April 30, 2025, with comparative information for 2024

	Unrestricted	Internally restricted	Investment in Capital assets	2025	2024
Net assets, beginning of year	\$ 93,347	\$ 70,000	\$ 40,025	\$ 203,372	\$ 195,317
Excess (deficiency) of revenue over expenses	(72,634)	-	(8,403)	(81,037)	8,055
Transfers to unrestricted	70,000	(70,000)	-	-	-
Net assets, end of year	\$ 90,713	\$ -	\$ 31,622	\$ 122,335	\$ 203,372

See accompanying notes to financial statements.

BC FREESTYLE SKI ASSOCIATION

Statement of Cash Flows

Year ended April 30, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ (81,037)	\$ 8,055
Items not involving cash:		
Amortization	8,403	10,062
Gain on sale of capital assets	-	(2,355)
Changes in non-cash operating working capital:		
Decrease (increase) in accounts receivable	3,737	(1,677)
(Decrease) increase in goods and services tax payable	(31,037)	28,285
Decrease (increase) in prepaid expenses	858	(13,920)
Decrease in accounts payable	(32,142)	(30,117)
Decrease in deferred revenue	(18,014)	(17,050)
	(149,232)	(18,717)
Investing:		
Purchase of capital assets	-	(1,980)
Proceeds on disposal of capital assets	-	2,500
	-	520
Decrease in cash	(149,232)	(18,197)
Cash, beginning of year	242,376	260,573
Cash, end of year	\$ 93,144	\$ 242,376

See accompanying notes to financial statements.

BC FREESTYLE SKI ASSOCIATION

Notes to Financial Statements

Year ended April 30, 2025

Nature of operations:

BC Freestyle Ski Association (the "Association") was incorporated under the Societies Act (British Columbia) on October 27, 1993. Its objective is the furtherance of freestyle skiing in the Province of British Columbia. The Association is a non-profit organization under the Income Tax Act and is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

1. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations ("ASNPO") in Part III of the CPA Handbook. The following is a summary of the significant accounting policies.

(a) Capital assets:

Capital assets are stated at cost, less accumulated amortization. Amortization is provided on declining balance over the assets' estimated useful lives at the following rates:

Asset	Rate
Equipment	20%
Computer equipment	55%
Computer software	100%

Capital assets are not amortized until placed into use. The estimated useful lives of assets are reviewed by management and adjusted if necessary. Capital assets are assessed annually for impairment which is recorded when applicable as a non-reversible impairment expense.

(b) Revenue recognition:

The Association follows the deferral method of accounting for contributions which includes government funding, donations and fundraising. Restricted contributions are recognized 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.

Operational revenues are recognized when there is pervasive evidence that an arrangement exists, the service has been provided, the amount can be estimated, and collection is reasonably assured.

BC FREESTYLE SKI ASSOCIATION

Notes to Financial Statements (continued)

Year ended April 30, 2025

1. Significant accounting policies (continued):

(c) Use of estimates:

The preparation of the financial statements in conformity with ASNPO 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 period. Actual results could differ from these estimates. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in operations in the period in which they become known.

(d) Contributed materials and services:

Volunteers contribute many hours annually to assist the Association in carrying out its service delivery activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements. Contributed materials are recorded as expenses or assets at their fair market value and as revenue or deferred contributions in the same amount.

(e) Financial instruments:

(i) Initial measurement:

The Association initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Association is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If it does, the cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, the cost is determined using the consideration transferred or received by the Association in the transaction.

BC FREESTYLE SKI ASSOCIATION

Notes to Financial Statements (continued)

Year ended April 30, 2025

1. Significant accounting policies (continued):

(e) Financial instruments (continued):

(ii) Subsequent to initial recognition:

The Association subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments and debt instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in income in the period incurred. Financial assets measured at amortized cost using the straight-line method include cash, term deposits, trade and other receivables, except for accounts receivable from a company under common control, and notes receivable. Accounts receivable from a company under common control and investments in preferred shares of a private company are recognized at cost. Financial assets measured at fair value include quoted shares.

(iii) Transaction costs:

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

(iv) Impairment:

For financial assets measured at cost or amortized cost, the organization determines whether there are indications of possible impairment. When there are, and the organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be 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 income.

BC FREESTYLE SKI ASSOCIATION

Notes to Financial Statements (continued)

Year ended April 30, 2025

2. Capital assets:

				2025	2024
	Cost	Accumulated amortization		Net book value	Net book value
Equipment	\$ 87,777	\$ 57,320	\$	30,457	\$ 38,071
Computer equipment	6,216	5,570		646	1,435
	\$ 93,993	\$ 62,890	\$	31,103	\$ 39,506

3. Accounts payable:

Included in accounts payable are government remittances payable of \$647 (2024 - \$567) relating to workers' safety insurance premiums.

BC FREESTYLE SKI ASSOCIATION

Notes to Financial Statements (continued)

Year ended April 30, 2025

4. Deferred revenue:

Deferred revenue represents unspent resources externally restricted for various purposes and operational revenue that has not met revenue recognition criteria. See the following breakdown of deferred revenue:

	2025	2024
Membership revenue	\$ 23,312	\$ 21,061
Course registration fees	2,235	22,500
	\$ 25,547	\$ 43,561

Changes in the deferred revenue balance are as follows:

	2025	2024
Deferred revenue, beginning	\$ 43,561	\$ 60,611
Team fees and course registration viaSport BC	28,047	43,561
BC Fairs, Festivals and Events	222,560	264,986
BC Gaming Grant	13,400	43,700
	40,000	40,000
	347,568	452,858
Recognized as revenue during the year	(322,021)	(409,297)
Deferred revenue, ending	\$ 25,547	\$ 43,561

5. Economic dependence:

The Association received 30% (2024 - 35%) of its revenue from viaSport BC and may be considered to be economically dependent on viaSport BC. The level of funding received from this party is normal for the Association given the industry in which it operates.

BC FREESTYLE SKI ASSOCIATION

Notes to Financial Statements (continued)

Year ended April 30, 2025

6. Director, employee and contractor remuneration:

For the fiscal year ended April 30, 2025, the Association paid total remunerations of \$76,467 (2024 - \$77,088) to one (2024 - one) contractor who received total remuneration of \$75,000 or greater. No employees received total remuneration of \$75,000 or greater.

The Association paid \$nil (2024 - \$nil) remuneration to any member of the Board of Directors for being a director or for acting in any other capacity. This disclosure is provided in accordance with the Societies Act (British Columbia).

7. Financial risks:

The Association is exposed to various risks through its financial instruments. Risk exposure has not changed from the prior year.

(a) Credit risk:

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk from athletes and user groups. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Association has a significant number of athletes and user groups which minimizes concentration of credit risk.

(b) Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its receipt of funds from its athletes, user groups and other related sources, and accounts payable.