

BC FREESTYLE SKI ASSOCIATION

Financial Statements

Year Ended April 30, 2009

BC FREESTYLE SKI ASSOCIATION

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Year Ended April 30, 2009

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AUDITORS' REPORT

To the Members of BC Freestyle Ski Association

We have audited the balance sheet of BC Freestyle Ski Association as at April 30, 2009 and the statements of income, members' capital and cash flows for the year then ended. These financial statements are the responsibility of the partnership's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the partnership as at April 30, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Vernon, BC
June 9, 2009

CHARTERED ACCOUNTANTS

BC FREESTYLE SKI ASSOCIATION

Balance Sheet

April 30, 2009

	2009	2008
ASSETS		
CURRENT		
Cash	\$ 56,542	\$ 64,221
Accounts receivable	<u>23,123</u>	<u>3,720</u>
	79,665	67,941
CAPITAL ASSETS (Note 3)	<u>4,981</u>	6,226
	<u>\$ 84,646</u>	<u>\$ 74,167</u>
LIABILITIES AND MEMBERS' CAPITAL		
CURRENT		
Accounts payable	\$ 15,670	\$ 19,064
MEMBERS' CAPITAL	<u>68,976</u>	<u>55,103</u>
	<u>\$ 84,646</u>	<u>\$ 74,167</u>

BC FREESTYLE SKI ASSOCIATION

Statement of Members' Capital

Year Ended April 30, 2009

	2008		2009
	Balance	Net Income	Balance
Unrestricted	\$ 48,877	\$ 15,118	\$ 63,995
Investment in Capital Assets	6,226	(1,245)	4,981
	\$ 55,103	\$ 13,873	\$ 68,976

	2007		2008
	Balance	Net Income	Balance
Unrestricted	\$ 24,033	\$ 24,844	\$ 48,877
Investment in Capital Assets	9,300	(3,074)	6,226
	\$ 33,333	\$ 21,770	\$ 55,103

BC FREESTYLE SKI ASSOCIATION

Statement of Income

Year Ended April 30, 2009

	2009	2008
REVENUE		
Government funding <i>(Schedule 1)</i>	\$ 245,600	\$ 226,967
Operational revenue <i>(Schedule 1)</i>	<u>155,966</u>	<u>96,448</u>
	401,566	323,415
EXPENSES <i>(Schedule 2)</i>	<u>387,810</u>	<u>306,770</u>
INCOME FROM OPERATIONS	13,756	16,645
OTHER INCOME	<u>117</u>	<u>5,125</u>
NET INCOME	<u>\$ 13,873</u>	<u>\$ 21,770</u>

BC FREESTYLE SKI ASSOCIATION**Statement of Cash Flow****Year Ended April 30, 2009**

	2009	2008
OPERATING ACTIVITIES		
Net income	\$ 13,873	\$ 21,770
Item not affecting cash:		
Amortization of capital assets	<u>1,245</u>	<u>3,074</u>
	<u>15,118</u>	<u>24,844</u>
Changes in non-cash working capital:		
Accounts receivable	(19,403)	968
Accounts payable	<u>(3,394)</u>	<u>16,205</u>
	<u>(22,797)</u>	<u>17,173</u>
Cash flow from (used by) operating activities	<u>(7,679)</u>	<u>42,017</u>
INCREASE (DECREASE) IN CASH FLOW	(7,679)	42,017
CASH - BEGINNING OF YEAR	<u>64,221</u>	<u>22,204</u>
CASH - END OF YEAR	<u>\$ 56,542</u>	<u>\$ 64,221</u>

BC FREESTYLE SKI ASSOCIATION

Notes to Financial Statements

Year Ended April 30, 2009

1. PURPOSE OF THE ORGANIZATION

The BC Freestyle Ski Association was incorporated under the Society Act of British Columbia on October 27, 1993. Its objective is the furtherance of freestyle skiing in the Province of British Columbia.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Changes in accounting policies

Effective January 1, 2008, the association adopted the new recommendations of the Canadian Institute of Chartered Accountants (CICA) under sections 1530-Comprehensive income, 3250-Equity, 3855-Financial instruments – measurement and disclosure, 3861-Financial instruments – presentation and disclosure and 3865-Hedges. These new Handbook sections, which apply to years beginning on or after October 1, 2007 provide requirements for the recognition, measurement, presentation and disclosure of financial instruments. Section 1530 establishes standards for reporting and presenting comprehensive income, which is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income but are excluded from net income calculated in accordance with generally accepted accounting principles.

Under section 3855, all financial instruments are classified into one of five categories: held for trading, held-to-maturity investments, loans and receivables, available for sale financial assets or other financial liabilities. All financial instruments are measured in the opening balance sheet of the year of adoption at fair value.

The following is a summary of the accounting model the association has elected to apply to each of its significant categories of financial instruments:

Cash and cash equivalents	Held for trading
Accounts receivable	Loans and receivables
Accounts payable and accrued liabilities	Other financial liabilities

The carrying value and fair value of the financial assets and liabilities are summarized as follows:

<u>Classification</u>	<u>Carrying value</u>	<u>Fair value</u>
Held for trading	\$ 56,542	\$ 56,542
Loans and receivables	23,123	23,123
Other financial liabilities	15,670	15,670

Subsequent measurement and treatment of any gain or loss on the financial instruments is recorded as follows:

- (a) Held for trading financial assets are measured at fair value at the balance sheet date with any gain or loss recognized immediately in net income. Interest and dividends earned from held for trading assets are also included in income for the period.

(continues)

BC FREESTYLE SKI ASSOCIATION

Notes to Financial Statements

Year Ended April 30, 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

- (b) Loans and receivables are measured at amortized cost using the effective interest method. Any gain or loss is recognized in net income.
- (c) Other financial liabilities are measured at amortized cost using the effective interest method.
- (d) Transaction costs that are directly attributable to the issuance of financial assets or liabilities are accounted for as part of the carrying value at inception, and are recognized over the term of the assets or liabilities using the effective interest method. Any gains or losses are recognized in net income.

The adoption of these new recommendations has no material impact (or disclose the impact) on the opening retained earnings or on the association's financial statements for the year ended April 30, 2009

Changes in accounting policies

The Canadian Institute of Chartered Accountants issued section 1506-Accounting changes, which describes the criteria for changing accounting policies, along with the accounting and disclosure for changes in accounting policies, changes in accounting estimates and corrections of errors. These changes came into effect for years beginning on or after January 1, 2007.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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. Such estimates include providing for amortization of capital assets and goodwill. Actual results could differ from these estimates.

The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Revenue recognition

Revenues are recognized when there is pervasive evidence that an arrangement exists, delivery has occurred, the price is fixed or determinable and collection is reasonably assured.

Contributed 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.

BC FREESTYLE SKI ASSOCIATION**Revenues****(Schedule 1)****Year Ended April 30, 2009**

	2009	2008
Government Funding		
Canadian Sport Pacific	\$ 132,500	\$ 132,500
Sport BC (Block)	43,800	45,800
Athlete Assistance Programs	8,800	8,800
CFSA	6,500	5,825
CABC	1,500	-
Gaming Grant	40,000	30,000
Sports Funder - Gaming	12,500	4,042
	\$ 245,600	\$ 226,967
Operations		
Mogul Team Fees	\$ 32,663	\$ 19,785
BC Regional Camps (OGC Incl)	23,761	5,231
HP Team Fees	20,847	17,540
BC Team Moguls Camp	18,688	12,943
Club & Athlete Registration	16,960	10,390
Coach Course	9,818	7,538
BC Team HP Camps	9,014	415
All Area Passes Income	8,640	-
Competition Revenue	6,644	4,465
Promotional Event	2,500	-
Camps	2,250	7,139
Sponsorship	1,764	4,475
Team Suits	1,289	1,277
Accident Insurance	653	1,950
All Girls Camp	250	450
Official & Judging Courses	225	450
Regional Team Fees	-	2,400
	\$ 155,966	\$ 96,448

BC FREESTYLE SKI ASSOCIATION**Expenses****(Schedule 2)****Year Ended April 30, 2009**

	2009	2008
EXPENSES		
Salaries and wages	\$ 161,463	\$ 149,837
Sport development	105,168	55,994
Travel and employment expenses	66,481	61,688
Capital equipment and facility rental	25,194	11,497
Professional fees	14,609	11,958
Fixed operating costs	7,271	4,539
Rental	3,815	3,600
Amortization	1,245	3,074
Office	1,564	3,583
Commissions	1,000	1,000
	\$ 387,810	\$ 306,770