

ALBERTA ALPINE SKI ASSOCIATION

FINANCIAL STATEMENTS

JUNE 30, 2025

Baker Tilly Rockies LLP

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INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT

To the Members of Alberta Alpine Ski Association:

We have reviewed the accompanying financial statements of Alberta Alpine Ski Association that comprise the statement of financial position as at June 30, 2025 and the statements of operations and fund balances, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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.

Practitioners' Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Alberta Alpine Ski Association as at June 30, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-For-Profit Organizations.

Canmore, Alberta
September 24, 2025

Baker Tilly Rockies LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

ALBERTA ALPINE SKI ASSOCIATION

(Incorporated under the Societies Act of Alberta)

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2025

ASSETS

	Operating Fund	Capital Fund	Total 2025	Total 2024
Current assets				
Cash and cash equivalents	\$ 421,714	\$ -	\$ 421,714	\$ 296,404
Short-term investments (note 3)	529,986	-	529,986	508,466
Accounts receivable (note 4)	47,129	-	47,129	43,958
Due from Alberta Alpine Legacy Fund (note 5)	11,497	-	11,497	8,801
Prepaid expenses	26,439	-	26,439	37,626
	<u>1,036,765</u>	<u>-</u>	<u>1,036,765</u>	<u>895,255</u>
Property and equipment (note 6)	<u>-</u>	<u>4,238</u>	<u>4,238</u>	<u>5,311</u>
	<u>\$ 1,036,765</u>	<u>\$ 4,238</u>	<u>\$ 1,041,003</u>	<u>\$ 900,566</u>

LIABILITIES

Current liabilities				
Accounts payable and accrued liabilities	\$ 121,042	\$ -	\$ 121,042	\$ 112,216
Deferred contributions (note 7)	184,617	-	184,617	85,156
	<u>305,659</u>	<u>-</u>	<u>305,659</u>	<u>197,372</u>
Contingent liabilities (note 8)				

FUND BALANCES

Internally restricted invested in property and equipment	-	4,238	4,238	5,311
Unrestricted	731,106	-	731,106	697,883
	<u>731,106</u>	<u>4,238</u>	<u>735,344</u>	<u>703,194</u>
	<u>\$ 1,036,765</u>	<u>\$ 4,238</u>	<u>\$ 1,041,003</u>	<u>\$ 900,566</u>

Approved on behalf of the Board of Directors by:

Paul Boskovich

JD

ALBERTA ALPINE SKI ASSOCIATION
STATEMENT OF OPERATIONS AND FUND BALANCES
YEAR ENDED JUNE 30, 2025

	Operating Fund	Capital Fund	Total 2025	Total 2024
Revenues				
Fees	\$ 1,527,089	\$ -	\$ 1,527,089	\$ 1,262,077
Grants (note 7)	249,256	-	249,256	280,789
Sponsorship	138,303	-	138,303	151,985
Fundraising (note 7)	137,921	-	137,921	186,190
Investment and other	26,407	-	26,407	27,899
	<u>2,078,976</u>	<u>-</u>	<u>2,078,976</u>	<u>1,908,940</u>
Expenses				
Amortization	-	1,073	1,073	1,348
Athlete bursaries and scholarships	66,891	-	66,891	59,619
Athletes	420,946	-	420,946	355,590
Coaches and volunteers	29,241	-	29,241	36,802
Fundraising	98,855	-	98,855	115,080
General and administrative (note 10)	104,651	-	104,651	114,376
Member benefits	595,889	-	595,889	431,165
Salaries and benefits	637,210	-	637,210	625,249
Sponsorship	92,070	-	92,070	94,046
	<u>2,045,753</u>	<u>1,073</u>	<u>2,046,826</u>	<u>1,833,275</u>
Excess (deficiency) of revenues over expenses before the following	33,223	(1,073)	32,150	75,665
Gain on vehicle sale	-	-	-	14,000
	<u>33,223</u>	<u>(1,073)</u>	<u>32,150</u>	<u>89,665</u>
Excess (deficiency) of revenues over expenses	33,223	(1,073)	32,150	89,665
Fund balances, beginning of year	697,883	5,311	703,194	613,529
Fund balances, end of year	<u>\$ 731,106</u>	<u>\$ 4,238</u>	<u>\$ 735,344</u>	<u>\$ 703,194</u>

ALBERTA ALPINE SKI ASSOCIATION

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2025

Cash provided by (used by)	2025	2024
Operating activities		
Fees received	\$ 1,527,089	\$ 1,245,945
Fundraising, grants, sponsorship and other receipts	534,021	547,394
Operating expenditures	(1,934,438)	(1,707,312)
Interest received	22,854	10,164
	<u>149,526</u>	<u>96,191</u>
Financing activities		
Repayment to Alberta Alpine Legacy Fund	(2,696)	(2,728)
	<u>(2,696)</u>	<u>(2,728)</u>
Investing activities		
Purchase of short-term investments	(529,986)	(508,466)
Proceeds on sale of short-term investments	508,466	500,000
	<u>(21,520)</u>	<u>(8,466)</u>
Cash inflow	125,310	84,997
Cash and cash equivalents, beginning of year	<u>296,404</u>	<u>211,407</u>
Cash and cash equivalents, end of year	<u>\$ 421,714</u>	<u>\$ 296,404</u>

ALBERTA ALPINE SKI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Purpose of the organization

Alberta Alpine Ski Association (the "Association") is a society registered under the Societies Act of the Province of Alberta. The Association is responsible for the general conduct and administration of alpine skiing competition within the Alberta Division of the Canadian Snow Sports Association. It is the provincial sport governing body for alpine ski racing, providing programs for 5,729 (2024 - 4,921) athletes, coaches, volunteers and officials of the sport throughout the province. Alberta Alpine manages programs from introductory levels to masters including the athletes of the Alberta Ski Team.

The Association is a non-profit organization under Section 149 of the Income Tax Act (Canada) and is exempt from income taxes.

1. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

a) Fund accounting

The Operating Fund reports the assets, liabilities, revenues and expenses relating to the Association's program delivery and administrative activities.

The Capital Fund reports the assets, liabilities, revenues and expenses related to the Association's property and equipment.

b) Revenue recognition

The Association uses the restricted fund method of accounting for contributions. As such, contributions are recognized as follows:

Unrestricted contributions including grants, investment and other revenue are recognized as revenue in the Operating Fund in the year that the contribution is received or when the amount to be received can be reasonably estimated and the collection is reasonably assured.

Restricted contributions including grants, investment and other revenue are recognized as revenue in the appropriate restricted fund in the year that the contribution is received. If an appropriate restricted fund does not exist, the contribution is recognized in the Operating Fund using the deferral method until the related expenses are incurred.

Revenue from fundraising activities are recognized only when the contributions are received, due to the uncertainty surrounding the amounts and timing of receipt of these types of contributions.

Fees and sponsorship revenue are recognized over the period in which services are delivered. Fee revenue includes membership fees paid by affiliated clubs around the province. Of each fee collected, a portion is paid to Alpine Canada and recorded as member benefits expense.

c) Cash and cash equivalents

Cash and cash equivalents include bank balances and investments in money market funds. The Association maintains cash and cash equivalents at financial institutions.

ALBERTA ALPINE SKI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

1. Significant accounting policies (cont'd)

d) Property and equipment

The Association capitalizes assets with an estimated useful life in excess of one year and a cost in excess of \$ 6,000 (2024 - \$ 2,500).

Amortization is provided over the estimated useful lives using the declining balance method at the following annual rates:

Website development	20%
Timing equipment	20%
Machinery	30%
Computer equipment	30%

Amortization is provided over the estimated useful lives using the straight-line method as follows:

Trailer	5 years
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e) Contributed goods and services

Contributed goods are recorded when the estimated fair market value can be reasonably determined and would otherwise be purchased by the Association.

Volunteers contribute a large number of hours every year to assist the Association in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

f) Financial instruments

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.

Subsequent measurement

The Association subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity 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, receivables, and short-term investments.

ALBERTA ALPINE SKI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

1. Significant accounting policies (cont'd)

f) Financial instruments (cont'd)

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.

Impairment

For financial assets measured at cost or amortized cost, the Association determines whether there are indications of possible impairment. When there are, and the Association 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.

Unless otherwise noted, it is management's opinion that the Association is not exposed to significant currency, liquidity or market risks arising from these financial instruments.

g) Measurement uncertainty

The preparation of financial statements in accordance 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 revenue and expenses for the reporting period. Significant items subject to such estimates and assumptions include the carrying amount of accounts receivable, accounts payable and accrued liabilities and the useful lives of property and equipment.

h) Cloud computing arrangements

The Association applies the simplification method to recognize cloud computing arrangements entered into with suppliers.

2. Operating line of credit

The Association has an available operating line of credit of \$ 20,000 with the Bank of Montreal, bearing interest at prime plus 2% per annum of which \$ nil was drawn at June 30, 2025 (2024 - \$ nil). Further, the Association has three credit cards available for use with a total credit limit of \$ 60,000.

ALBERTA ALPINE SKI ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

	2025	2024
3. Short-term investments		
Redeemable Guaranteed Investment Certificate bearing interest at 4.25 percent per annum due July 4, 2024	\$ -	\$ 508,466
Redeemable Guaranteed Investment Certificate bearing interest at 4.25 percent per annum due July 9, 2025	529,986	-
	<u>\$ 529,986</u>	<u>\$ 508,466</u>
4. Accounts receivable	2025	2024
Trade receivables	\$ 23,873	\$ 21,464
Goods and Services Tax recoverable	1,378	973
Interest receivable	21,878	21,521
	<u>\$ 47,129</u>	<u>\$ 43,958</u>

5. Related party transactions

a) Alberta Alpine Legacy Fund

The Association is the sole beneficiary of the Alberta Alpine Legacy Fund (the "Fund") and controls it by virtue of its ability to modify the composition of the board and officers. The financial statements do not include the financial activities of the Fund. The Fund is a not-for-profit organization registered under Part 9 of the Companies Act of the Province of Alberta which supports alpine ski racing in the Province of Alberta. Under the Income Tax Act of Canada, the Fund is exempt from income tax pursuant to section 149. The Fund uses the deferral method of accounting for contributions.

ALBERTA ALPINE SKI ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

5. Related party transactions (con't)

The following is a summary of financial information of the Fund:

	June 30 2025	June 30 2024
Financial position		
Current assets		
Cash	\$ 6,476	\$ 15,861
Short-term investments (Fair Market Value 2025 - \$ 744,453 2024 - \$ 608,503)	727,761	598,077
	<u>\$ 734,237</u>	<u>\$ 613,938</u>
Current liabilities		
Account payable	\$ 1,750	\$ 1,450
Due to Alberta Alpine Ski Association	11,497	8,801
	<u>13,247</u>	<u>10,251</u>
Net assets	<u>720,990</u>	<u>603,687</u>
	<u>\$ 734,237</u>	<u>\$ 613,938</u>
Statement of operations		
Investment and grant revenue	\$ 127,418	\$ 20,768
Expenses		
Investment fees	7,119	7,837
Professional fees	2,996	2,772
	<u>10,115</u>	<u>10,609</u>
Excess of revenues over expenses	<u>\$ 117,303</u>	<u>\$ 10,159</u>

ALBERTA ALPINE SKI ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

5. Related party transactions (con't)

Statement of cash flows

Cash provided by (used by)

	2025	2024
Operating activities		
Investment income	\$ 127,418	\$ 20,768
Operating expenditures	(9,815)	(10,564)
	117,603	10,204
Investing activities		
Payment from Alberta Alpine Ski Association	2,696	2,728
Purchase of short-term investments, net	(129,684)	191,760
	(126,988)	194,488
Financing activities		
Loan from Winterstart Events Ltd.	-	(200,000)
Cash inflow (outflow)	(9,385)	4,692
Cash, beginning of year	15,861	11,169
Cash, end of year	\$ 6,476	\$ 15,861

The balance due to the Association of \$ 11,497 (2024 - \$ 8,801) is non-interest bearing and has no terms of repayment.

During the year, the Association charged the Fund \$ 1,200 (2024 - \$ 1,200) for accounting services rendered by the Vice-President of the organization which are included as a reduction of the salaries and benefits expenses on the statement of operations.

During the year the Association made a grant contribution of \$ 75,000 (2024 - \$ nil) to the Fund. The contribution is included in revenue of the Fund and is included in member benefits expense of the Association.

b) Other

Relatives of the board of directors participate in the programs offered by Alberta Alpine Ski Association. As per Alberta Alpine Ski Association policy, these athletes were charged fees totalling \$ 30,750 (2024 - \$ nil).

During the year, sponsors whose principals are members of the board of directors made contributions to the Association totalling \$ 10,000 (2024 - \$ 10,000).

These transactions were completed in the normal course of operations on normal market terms and are measured at the exchange amount.

ALBERTA ALPINE SKI ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

6. Property and equipment

2025	Cost	Accumulated Amortization	Net Book Value
Website development	\$ 19,818	\$ 17,424	\$ 2,394
Timing equipment	42,887	41,119	1,768
Machinery	6,194	6,170	24
Computer equipment	9,459	9,407	52
Trailer	7,501	7,501	-
	<u>\$ 85,859</u>	<u>\$ 81,621</u>	<u>\$ 4,238</u>
2024	Cost	Accumulated Amortization	Net Book Value
Website development	\$ 19,818	\$ 16,825	2,993
Timing equipment	42,887	40,676	2,211
Machinery	6,194	6,160	34
Computer equipment	9,459	9,386	73
Trailer	7,501	7,501	-
	<u>\$ 85,859</u>	<u>\$ 80,548</u>	<u>\$ 5,311</u>

7. Deferred contributions and revenue recognition

	Balance beginning of year	Additions	Recognized as fundraising revenue	Recognized as grant revenue	Balance end of year
AGLC Casino funds	\$ 64,756	\$ -	\$ 32,654	\$ -	\$ 32,102
Government of Alberta SPAR funding	-	177,000	-	118,000	59,000
Government of Alberta Canada Winter Games funding	-	58,000	-	-	58,000
Government of Alberta CIP	15,500	-	-	15,500	-
Government of Alberta Hall of Fame donation	-	5,000	-	-	5,000
Government of Alberta SPAR donations	-	115,756	-	115,756	-
Alberta Winter Games	-	7,177	-	-	7,177
Arctic Winter Games	-	5,280	-	-	5,280
Fundraisers	4,900	8,058	4,900	-	8,058
Sponsorships	-	10,000	-	-	10,000
	<u>\$ 85,156</u>	<u>\$ 386,271</u>	<u>\$ 37,554</u>	<u>\$ 249,256</u>	<u>\$ 184,617</u>

ALBERTA ALPINE SKI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

8. Contingent liability

The Association has received notice of an insurance claim against them relating to a ski incident between an AASA employee and an unrelated individual on August 12, 2022. A liability of \$ 34,856 (2024 - \$ 35,369) has been included in accounts payable and accrued liabilities. At this time, a payout for this claim is likely and the accrued amount is the best estimate of the actual liability.

The Association has received notice of a legal claim brought forward by a former member of the Alberta Ski Cross Team regarding an injury sustained at an ACA event in 2022. Management believes that this claim will be covered by the association's insurance policy. As an estimate of the liability cannot be determined at this time, no accrual has been made in the financial statements.

9. Non-monetary transactions

The Association regularly enters into contra agreements whereby it exchanges promotional consideration for goods and services from sponsors. The sponsorship revenue and expense line items contain \$ 91,303 (2024 - \$ 91,760) of consideration recognized in regards to these contracts. These transactions have been recorded at the fair value of the goods and services exchanged. No gains or losses have occurred as a result of these transactions.

10. Cloud computing arrangements

The amount expensed in connection with these arrangements totals \$ 3,077 in 2025 (2024 -\$ 2,624). These expenses are included in general and administrative expense in the Statement of Operations. Management has not identified any commitment related to cloud computing.

11. Financial instrument risk disclosure

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Association's risk exposure and concentration at the balance sheet date:

a) 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's main credit risks relate to its cash and cash equivalents and accounts receivable balances.

The Association mitigates its exposure to credit loss for its cash balances by placing its cash and cash equivalents with major financial institutions. The Association mitigates its exposure to credit loss for its accounts receivable balances by routinely assessing the financial strength of its customers. As a result, management has assessed the credit risk exposure as low.

b) Interest rate risk

Interest rate risk is the risk that the fair value and future value of a financial instrument will fluctuate because of changes in market interest rates. The interest rate on the Guaranteed Investment Certificates (GIC) are fixed until maturity. As a result, management has assessed the interest rate risk as low.