August 28, 2017

Independent Auditor’s Report

To the Members of Alpine Canada Alpin

We have audited the accompanying financial statements of Alpine Canada Alpin, which comprise the balance sheet as at April 30, 2017 and the statements of operations and changes in fund balances and cash flows for the year then ended, and the related notes, which comprise 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 in our audit 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 Alpine Canada Alpin as at April 30, 2017 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.

PricewaterhouseCoopers LLP
Chartered Professional Accountants
Alpine Canada Alpin
Balance Sheet
As at April 30, 2017

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General Fund</td>
<td>CSCF Fund</td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted cash (note 3)</td>
<td>-</td>
<td>453,519</td>
</tr>
<tr>
<td>Funds held in trust (note 4)</td>
<td>67,976</td>
<td>-</td>
</tr>
<tr>
<td>Restricted short term investments (note 6)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Short-term investments (note 6)</td>
<td>100,078</td>
<td>-</td>
</tr>
<tr>
<td>Accounts receivable, net of allowance for doubtful accounts of $7,875 (2016 – $198,747)</td>
<td>1,975,566</td>
<td>-</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>216,424</td>
<td>-</td>
</tr>
<tr>
<td><strong>Assets held in trust</strong></td>
<td>1,789,400</td>
<td>-</td>
</tr>
<tr>
<td>Property and equipment (note 7)</td>
<td>493,813</td>
<td>68,509</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank indebtedness</td>
<td>1,253,182</td>
<td>-</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>1,773,835</td>
<td>114,543</td>
</tr>
<tr>
<td>Liability for funds held in trust (note 4)</td>
<td>67,976</td>
<td>-</td>
</tr>
<tr>
<td>Deferred contribution (note 9)</td>
<td>10,004</td>
<td>-</td>
</tr>
<tr>
<td><strong>Liability for assets held in trust</strong></td>
<td>1,789,400</td>
<td>-</td>
</tr>
<tr>
<td><strong>Fund Balances</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Externally restricted</td>
<td>-</td>
<td>407,485</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>(251,140)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>(251,140)</td>
<td>407,485</td>
</tr>
<tr>
<td><strong>Commitments</strong> (note 11)</td>
<td>4,643,257</td>
<td>522,028</td>
</tr>
</tbody>
</table>

Approved by the Board of Directors
___________________________________ Director ________________________________ Director

The accompanying notes are an integral part of these financial statements.
Alpine Canada Alpin
Statement of Operations and Changes in Fund Balances
For the year ended April 30, 2017

The accompanying notes are an integral part of these financial statements.
Alpine Canada Alpin  
Statement of Cash Flows  
For the year ended April 30, 2017

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Cash provided by (used in)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deficiency of revenue over expenses</td>
<td>$(131,515)</td>
<td>$(624)</td>
</tr>
<tr>
<td>Amortization of property and equipment</td>
<td>66,334</td>
<td>62,698</td>
</tr>
<tr>
<td>Gain on acquisition of Canadian Ski Coaches Federation</td>
<td>-</td>
<td>$(309,281)</td>
</tr>
<tr>
<td>Loss (gain) on disposal of assets</td>
<td>1,649</td>
<td>$(3,611)</td>
</tr>
<tr>
<td>Change in non-cash working capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>$(128,065)</td>
<td>475,640</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>36,313</td>
<td>$(117,771)</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>707,709</td>
<td>$(488,348)</td>
</tr>
<tr>
<td>Deferred contribution</td>
<td>$(1,315,746)</td>
<td>$(132,500)</td>
</tr>
<tr>
<td><strong>Investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of property and equipment</td>
<td>$(136,080)</td>
<td>$(18,459)</td>
</tr>
<tr>
<td>Proceeds from sale of property and equipment</td>
<td>-</td>
<td>8,000</td>
</tr>
<tr>
<td>Purchase of short-term investments</td>
<td>$(45,868)</td>
<td>$(29,777)</td>
</tr>
<tr>
<td>Proceeds from sale of restricted short-term investments</td>
<td>200,388</td>
<td>-</td>
</tr>
<tr>
<td>Increase in restricted cash</td>
<td>$(348,451)</td>
<td>-</td>
</tr>
<tr>
<td>Acquisition of Canadian Ski Coaches Federation (note 3)</td>
<td>-</td>
<td>$(1)</td>
</tr>
<tr>
<td><strong>Change in cash (bank indebtedness)</strong></td>
<td>$(330,011)</td>
<td>$(40,237)</td>
</tr>
<tr>
<td>(Bank indebtedness) cash – Beginning of year</td>
<td>$(1,093,332)</td>
<td>$(554,034)</td>
</tr>
<tr>
<td>Bank indebtedness – End of year</td>
<td>$(1,253,182)</td>
<td>$(159,850)</td>
</tr>
</tbody>
</table>

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

Alpine Canada Alpin ("the Association") is a non-profit organization incorporated under Part II of the Canada Corporations Act and is a Registered Canadian Amateur Athletic Association.

The Association is the national governing body responsible for the advancement of alpine ski racing in and for Canada, from domestic programs to operating the Canadian Alpine Ski Team, the Canadian Para-Alpine Ski Team and the Canada Ski-Cross Team which are comprised of Canada’s best ski racers. The Association is also responsible for the development and accreditation of Canadian ski coaches.

2 Summary of significant accounting policies

The financial statements of the Association have been prepared in accordance with accounting standards for not-for-profit organizations as set out in Part III of the CPA Handbook Canada.

a) Use of estimates

The preparation of the 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, liabilities and disclosures 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, and differences could be material. Significant estimates include the recoverability of property and equipment and the collectability of accounts receivable.

b) Fund accounting

The General Fund reports all transactions and balances related to the operations of the Association. The CSCF Fund ("Canadian Ski Coaches Federation" Fund) reports all transactions and balances related to restricted resources that are to be used, for a period of 3 years following June 30, 2015, to furthering alpine ski coaching education, development and other related alpine ski coaching initiatives, and to any potential claims or losses that may arise from the acquisition of the Canadian Ski Coaches Federation. After June 30, 2018, the restricted resources can be used for general purposes.

c) Revenue recognition

i) Contributions and donations

The Association follows the restricted fund method of accounting for contributions. Unrestricted contributions are recognized as revenue in the general fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions related to restricted resources that are to be used, for a period of 3 years following June 30, 2015, to furthering alpine ski coaching education, development and other related alpine ski coaching initiatives are recorded as revenue in the restricted fund in the year received. All other restricted contributions are deferred and recognized into revenue in the general fund in the year in which the related expenses are incurred.
ii) Corporate advertising and sponsorships

All advertising and sponsorship revenues are recognized as earned in accordance with the terms of the contract, when such amounts are determinable and collection is reasonably assured.

iii) Memberships and fees

Memberships and fees are charged on an annual basis matching the fiscal period of the Association and are recorded as revenues as in the period the membership related to.

iv) Government grants

Government of Canada grants and provincial grants are subject to certain terms and conditions regarding the expenditures of these funds, with expenses charged against these contributions being subject to government audit. As a result, adjustments may be made to the original contributions received. The effect on net revenue or expenditures of any adjustment arising from this audit is reflected in the year in which the audit is completed. Contributions received in advance of the fiscal and program expenditures years are deferred to the applicable year.

v) Domestic initiatives and coach education

Revenue generated from domestic initiatives and coach education are recorded on an annual basis matching the fiscal period of the Association and are recorded in the period the activities relate to. These initiatives include targeted athletic programming, insurance and activities related to coach education including annual membership dues, courses, and other initiatives.

d) Donated materials and services

Donated materials and services are recorded at fair value when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Association’s operations and would otherwise have been purchased. During fiscal 2017, $1,337,500 of contributed services and materials were recorded in the financial statements (2016 - $1,415,500). Contributed volunteer services are not recognized in the financial statements because of the difficulty in determining their value.

e) Assets held in trust and liability for assets held in trust

Funds held in trust for certain athletes are included as assets and liabilities of the Association when accountability of these funds rests with the Association. Assets held in trust consist of cash and marketable securities and the marketable securities have been recorded at fair value.

f) Income tax status

The Association is a not-for-profit organization and as such, is exempt from income tax.
Cash and bank indebtedness

Cash consists of funds held at financial institutions. Bank indebtedness is cash overdraft at financial institutions and cheques issued at year-end.

h) Restricted cash

Restricted cash consists of cash acquired by the Association from the Canadian Ski Coaches Federation, and is restricted for a period of 3 years following June 30, 2015, to further alpine ski coaching education, development and other related alpine ski coaching initiatives, and for any potential claims or losses that may arise from the acquisition. Restricted cash is not available for current purposes.

i) Property and equipment

Property and equipment are recorded at cost less accumulated amortization. Property and equipment are amortized over their estimated useful lives, with a half year of amortization taken during the year of acquisition, with the exception of vehicles. Property and equipment are amortized at the following rates:

<table>
<thead>
<tr>
<th>Asset</th>
<th>Rate</th>
<th>Basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer equipment and systems</td>
<td>30%</td>
<td>straight-line</td>
</tr>
<tr>
<td>Racing equipment</td>
<td>30%</td>
<td>straight-line</td>
</tr>
<tr>
<td>Ski equipment</td>
<td>20%</td>
<td>straight-line</td>
</tr>
<tr>
<td>Marketing website</td>
<td>20%</td>
<td>straight-line</td>
</tr>
<tr>
<td>National Alpine Training Centre</td>
<td>15%</td>
<td>straight-line</td>
</tr>
<tr>
<td>World cup equipment</td>
<td>15%</td>
<td>straight-line</td>
</tr>
<tr>
<td>Fitness testing equipment</td>
<td>15%</td>
<td>straight-line</td>
</tr>
<tr>
<td>Vehicles</td>
<td>30%</td>
<td>declining balance</td>
</tr>
<tr>
<td>Netting</td>
<td>10%</td>
<td>straight-line</td>
</tr>
<tr>
<td>Towers and structures</td>
<td>5%</td>
<td>straight-line</td>
</tr>
</tbody>
</table>

Capital in progress items are not subject to amortization until they are put into use.

j) Foreign currency translation

Foreign currency monetary assets and liabilities are translated to Canadian dollars at the year-end exchange rate and non-monetary assets and liabilities are translated at historic rates. Revenues and expenses are translated at average exchange rates, except for amortization, which is translated at the exchange rate prevailing when the related assets were acquired. Exchange gains and losses resulting from translation are included in the statement of operations.
k) Financial instruments

The Association’s financial instruments recognized in the balance sheet consist of cash (bank indebtedness), accounts receivable, short-term investments, funds held in trust, assets held in trust, accounts payable and accrued liabilities, liability for funds held in trust and liability for assets held in trust. The Association records these financial instruments initially at fair value and subsequently at amortized cost except funds held in trust and assets held in trust which is recorded at fair value. Financial assets are tested for impairment at the end of each reporting period when there are indications that the assets may be impaired.

The Association is not exposed to significant interest rate risk or currency risk from these financial instruments.

i) Credit risk

The Association does not have a concentration of credit exposure with any one customer or sponsor. The Association does not consider that it is exposed to undue credit risk, and the Association takes steps to ensure it minimizes its credit risk by dealing with creditworthy counterparties and regularly monitoring collection of accounts receivable. There has been no significant change in risk exposure from the previous year.

ii) Foreign currency risk

The Association enters into transactions denominated in foreign currencies for which the related revenues, expenses, accounts receivable and accounts payable balances are subject to exchange rate fluctuations. There has been no change in risk exposure from the previous year.

iii) Liquidity risk

Liquidity risk is the risk that the Association will not be able to meet all of its financial obligations as they become due. The Association manages its liquidity risk through adherence to its annual budget in addition to stringent management of receivables. There has been no significant change in risk exposure from the previous year.

l) Reclassification

Certain information provided for the prior year has been reclassified to conform to the presentation adopted in 2017.
3 Acquisition and integration of the Canadian Ski Coaches Federation

On June 25, 2015 the Board of Directors of the Association agreed to acquire the assets of the Canadian Ski Coaches Federation (“CSCF”) in exchange for consideration of $1 and agreed to integrate their operations effective June 30, 2015. The Association continues to act as the national governing body for alpine ski racing in Canada as well as providing ski coach training and accreditation services previously provided by CSCF. This acquisition was conducted in order to increase the scope of the Association’s mandate to include the provision of these ski coach training and accreditation services.

This transaction was accounted for as an acquisition, under which the Association recognized all assets and liabilities acquired from CSCF at their fair value on the date of acquisition, with a gain recorded for the difference between the fair value of the acquired net assets and the consideration provided to CSCF.

The following table summarizes the fair value of net assets acquired pursuant to the CSCF acquisition:

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$305,456</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>$12,950</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>$91,163</td>
</tr>
<tr>
<td>Property and equipment</td>
<td>$2,300</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$(20,587)</td>
</tr>
<tr>
<td><strong>Fair value of net assets acquired</strong></td>
<td><strong>$309,282</strong></td>
</tr>
<tr>
<td><strong>Less: Consideration paid</strong></td>
<td><strong>$(1)</strong></td>
</tr>
<tr>
<td><strong>Gain on acquisition</strong></td>
<td><strong>$309,281</strong></td>
</tr>
</tbody>
</table>

The statement of operations includes the results of operations for the period following the close of the transaction on June 30, 2015.

In accordance with the purchase and sale agreement between the Association and the CSCF, the cash acquired by the Association from the CSCF of $305,456 is restricted for a period of 3 years following June 30, 2015, to further alpine ski coaching education, development and other related alpine ski coaching initiatives, and to any potential claims or losses that may arise from the acquisition of the CSCF. As a result of this transaction, a gain on acquisition of $309,281 has been recorded in the 2016 year, as detailed above. Of this, $305,456 has been recorded as a gain in the restricted fund, with the remaining $3,825 recorded as a gain in the general fund. At April 30, 2017, $338,676 of restricted resources remains unspent and are presented as restricted cash of $453,519 and accounts payable and accrued liabilities of $114,543 on the balance sheet.

Further, for a period of three years following June 30, 2015, 85% of ongoing revenue from coach membership fees and courses is restricted for the purposes outlined above. Accordingly, $576,874 of revenue from coach membership fees and courses and the related expenses of $506,408 have been recorded in the restricted fund for the year ended April 30, 2017. After the three year period, the restrictions on the funds will be lifted and the funds can be used for general purposes.
4 Funds held in trust and liability for funds held in trust

Mackenzie Investments is a sponsor of several of the Canadian snowsport organizations. To simplify the payment process, Mackenzie Investments proposed a more streamlined process whereby they would issue one payment to a select snowsport national sport organization (NSO) and that NSO would then be the administrator and remit payments to the other sponsored snowsport organizations. The Association agreed to be the administrator. As a result, funds held in trust of $67,976 has been recorded for the year ended April 30, 2017.

5 Government remittances

Government remittances consist of amounts required to be paid to government authorities and are recognized when the amounts are due. In respect of government remittances, $nil (2016 - $nil) is included in accounts payable and accrued liabilities.

6 Short-term investments and Restricted short-term investments

Short-term investment balances are comprised of the following:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Restricted short-term investments</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guaranteed Investment Certificates (0.70%, matured May 2016)</td>
<td>-</td>
<td>200,388</td>
</tr>
<tr>
<td><strong>Short-term investments</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other short-term investments</td>
<td>100,078</td>
<td>54,210</td>
</tr>
</tbody>
</table>

7 Property and equipment

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Cost</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer equipment</td>
<td>44,641</td>
<td></td>
</tr>
<tr>
<td>Racing equipment</td>
<td>121,546</td>
<td>120,180</td>
</tr>
<tr>
<td>National alpine training centre</td>
<td>126,552</td>
<td>126,552</td>
</tr>
<tr>
<td>World cup equipment</td>
<td>226,218</td>
<td>211,856</td>
</tr>
<tr>
<td>Office equipment</td>
<td>17,973</td>
<td>17,973</td>
</tr>
<tr>
<td>Fitness testing equipment</td>
<td>62,016</td>
<td>41,861</td>
</tr>
<tr>
<td>Vehicles</td>
<td>48,187</td>
<td>48,187</td>
</tr>
<tr>
<td>Netting</td>
<td>149,021</td>
<td>120,503</td>
</tr>
<tr>
<td>Towers and structures</td>
<td>295,000</td>
<td>265,500</td>
</tr>
<tr>
<td>Marketing website</td>
<td>52,660</td>
<td>52,660</td>
</tr>
<tr>
<td>Ski equipment</td>
<td>21,843</td>
<td>15,967</td>
</tr>
<tr>
<td>Capital in progress</td>
<td>68,509</td>
<td>68,509</td>
</tr>
<tr>
<td>Course equipment</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Accumulated amortization</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer equipment</td>
<td>36,075</td>
<td></td>
</tr>
<tr>
<td>Racing equipment</td>
<td>120,180</td>
<td>120,180</td>
</tr>
<tr>
<td>National alpine training centre</td>
<td>126,552</td>
<td>126,552</td>
</tr>
<tr>
<td>World cup equipment</td>
<td>211,856</td>
<td>211,856</td>
</tr>
<tr>
<td>Office equipment</td>
<td>17,973</td>
<td>17,973</td>
</tr>
<tr>
<td>Fitness testing equipment</td>
<td>41,861</td>
<td>41,861</td>
</tr>
<tr>
<td>Vehicles</td>
<td>48,187</td>
<td>48,187</td>
</tr>
<tr>
<td>Netting</td>
<td>28,518</td>
<td>28,518</td>
</tr>
<tr>
<td>Towers and structures</td>
<td>29,500</td>
<td>29,500</td>
</tr>
<tr>
<td>Marketing website</td>
<td>5,266</td>
<td>5,266</td>
</tr>
<tr>
<td>Ski equipment</td>
<td>5,876</td>
<td>5,876</td>
</tr>
<tr>
<td>Capital in progress</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Course equipment</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net</strong></td>
<td>8,566</td>
<td>1,366</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>8,566</td>
<td>8,566</td>
</tr>
<tr>
<td>Racing equipment</td>
<td>1,366</td>
<td>1,366</td>
</tr>
<tr>
<td>National alpine training centre</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>World cup equipment</td>
<td>14,362</td>
<td>14,362</td>
</tr>
<tr>
<td>Office equipment</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fitness testing equipment</td>
<td>20,155</td>
<td>20,155</td>
</tr>
<tr>
<td>Vehicles</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Netting</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Towers and structures</td>
<td>120,503</td>
<td>120,503</td>
</tr>
<tr>
<td>Marketing website</td>
<td>47,394</td>
<td>47,394</td>
</tr>
<tr>
<td>Ski equipment</td>
<td>15,967</td>
<td>15,967</td>
</tr>
<tr>
<td>Capital in progress</td>
<td>29,458</td>
<td>29,458</td>
</tr>
<tr>
<td>Course equipment</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net</strong></td>
<td>12,973</td>
<td>1,996</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>12,973</td>
<td>12,973</td>
</tr>
<tr>
<td>Racing equipment</td>
<td>1,996</td>
<td>1,996</td>
</tr>
<tr>
<td>National alpine training centre</td>
<td>1,450</td>
<td>1,450</td>
</tr>
<tr>
<td>World cup equipment</td>
<td>22,207</td>
<td>22,207</td>
</tr>
<tr>
<td>Office equipment</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fitness testing equipment</td>
<td>29,458</td>
<td>29,458</td>
</tr>
<tr>
<td>Vehicles</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Netting</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Towers and structures</td>
<td>126,401</td>
<td>126,401</td>
</tr>
<tr>
<td>Marketing website</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Ski equipment</td>
<td>17,690</td>
<td>17,690</td>
</tr>
<tr>
<td>Capital in progress</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Course equipment</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net</strong></td>
<td>562,322</td>
<td>494,225</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>562,322</td>
<td>562,322</td>
</tr>
<tr>
<td>Racing equipment</td>
<td>494,225</td>
<td>494,225</td>
</tr>
</tbody>
</table>

Total: 1,234,166 $ 671,844
Capital in progress as at April 30, 2017 consists of costs relating to the long term athlete development project (“LTAD”).

8 Available credit facility

The Association has an available $1,100,000 (2016 – $1,100,000) demand credit facility with a Canadian chartered bank, bearing interest at prime plus 0.5% (2016 – prime plus 1%). As at April 30, 2017, $1,055,555 was outstanding under this facility (2016 – $nil). The Association also has an available $250,000 USD hedging facility for the purpose of hedging business foreign currency risk. No amount was drawn on this facility at April 30, 2017.

At year-end, the Association reported bank indebtedness of $1,253,182 (2016 – $159,850) on its balance sheet, which consists of cash overdraft at a financial institution and cheques issued at year-end.

All personal property of the business now owned, which includes among other things, equipment and receivables, and all personal property acquired in the future, is pledged as collateral for the credit facility.

Subsequent to year-end, the Association received $1,307,219 in contributions relating to the 2017-2018 fiscal year.

9 Deferred contribution

Deferred contributions in the general fund result from externally restricted contributions that have not yet been spent. These externally restricted contributions are then recognized into revenue in the general fund in the year in which the related expenses are incurred.

Changes to the deferred contributions balance during the year are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance – Beginning of year</td>
<td>1,325,750</td>
<td>1,458,250</td>
</tr>
<tr>
<td>Contributions in the year</td>
<td>10,004</td>
<td>1,325,750</td>
</tr>
<tr>
<td>Amounts recognized as revenue</td>
<td>(1,325,750)</td>
<td>(1,458,250)</td>
</tr>
<tr>
<td>Balance – End of year</td>
<td>10,004</td>
<td>1,325,750</td>
</tr>
</tbody>
</table>

Subsequent to year-end, the Association received $1,307,219 in contributions relating to the 2017-2018 fiscal year.
10 **Fundraising expenses**

As required under Section 7(2) of the Charitable Fundraising Act of Alberta, the following amounts are disclosed:

\[
\begin{align*}
\text{Amounts paid as remuneration to employees whose principal duties involve fundraising} & \quad 174,790
\end{align*}
\]

11 **Commitments**

The Association is jointly liable with a third party for a commitment to rent office space in Calgary, Alberta. Both parties are committed to pay minimum annual lease payments $138,000 per annum until 2022. Under the terms of a separate sponsorship agreement expired April 30, 2017, the third party directly pays the cost of the rental amount. The Association recognizes the cost of rent and the corresponding contribution from the third party as sponsorship revenue. Commencing May 1, 2017, the Association is committed to pay 50% of the lease payments and operating costs for the remainder term of the lease under a new sponsorship agreement. Other commitments that the Association has committed to include a warehouse rental and a copier lease.

\[
\begin{align*}
2018 & \quad 95,707 \\
2019 & \quad 85,920 \\
2020 & \quad 85,000 \\
2021 & \quad 85,000 \\
2022 & \quad 85,000
\end{align*}
\]

12 **Subsequent event**

Subsequent to year end, the Association received a commitment of $662,500 in the form of a government grant relating to its high performance programs to be spent in the Association’s next fiscal year.