

# **Alpine Canada Alpin**

Financial Statements  
**April 30, 2024**



## Independent auditor's report

To the Members of Alpine Canada Alpin

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### Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Alpine Canada Alpin (the Organization) as at April 30, 2024 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.

#### What we have audited

The Organization's financial statements comprise:

- the statement of financial position as at April 30, 2024;
- the statement of operations and changes in net assets for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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### 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 report.

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

#### Independence

We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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### 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.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



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

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

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### **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 these 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 Organization'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 Organization'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 Organization to cease to continue as a going concern.
- 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.



We 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.

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants

Calgary, Alberta  
August 21, 2024

**Alpine Canada Alpin**  
Statement of Financial Position  
As at April 30, 2024

	2024 \$	2023 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash (note 7)	205,296	707,421
Accounts receivable, net of allowance for doubtful accounts of \$12,450 (2023 – \$56,963)	1,616,019	1,716,491
Prepaid expenses	360,520	255,740
Inventory	-	25,850
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	2,181,835	2,705,502
<b>Assets held in trust</b> (note 2(d))	1,672,090	1,209,956
<b>Due from Alpine Canada Events Company</b> (notes 10, 11)	351,952	702,233
<b>Property and equipment</b> (note 6)	569,923	697,886
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	4,775,800	5,315,577
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 4)	1,424,314	2,083,134
Deferred contributions (note 8)	681,254	1,349,980
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	2,105,568	3,433,114
<b>Investment in subsidiary</b> (note 11)	248,736	176,990
<b>Liability for assets held in trust</b> (note 2(d))	1,672,090	1,209,956
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	4,026,394	4,820,060
<b>Net Assets</b>		
<b>Unrestricted</b>	749,406	495,517
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	4,775,800	5,315,577
<b>Commitments</b> (note 12)		

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

# Alpine Canada Alpin

## Statement of Operations and Changes in Net Assets

For the year ended April 30, 2024

	2024 \$	2023 \$
<b>Revenue</b>		
Sport funding partners (note 5)	8,201,333	8,554,567
Partnerships, sponsorship and supplier pool (notes 2(c), 10)	4,755,364	3,196,442
Fundraising (note 10)	2,300,393	2,678,748
Membership fees	1,177,527	991,236
Sport development initiatives	380,334	624,654
Athlete team fees	633,251	498,979
Coach education	625,694	494,917
Provincial grants	945,000	383,853
Events (excluding federal and provincial grants)	365,952	340,708
Other	286,594	221,891
	<u>19,671,442</u>	<u>17,985,995</u>
<b>Expenses</b>		
Canadian Alpine Ski Team	5,482,989	6,176,446
Canadian Ski-Cross Team	2,389,513	2,293,970
Events	2,835,810	1,940,269
Sport Development Programs	2,030,449	1,850,815
Canadian Para-Alpine Ski Team	1,744,015	1,614,553
Administration (note 9)	1,666,329	1,413,754
Supplier pool (notes 2(c), 10)	1,234,250	1,069,078
Partnerships and sponsorship	818,169	680,725
Communications and marketing	386,746	350,428
Coach education	366,240	249,482
Amortization of property and equipment	173,832	190,890
Fundraising (note 9)	217,465	179,052
	<u>19,345,807</u>	<u>18,009,462</u>
<b>Excess (deficiency) of revenue over expenses before equity loss from subsidiary</b>	325,635	(23,467)
<b>Equity loss from subsidiary</b> (note 11)	<u>(71,746)</u>	<u>(176,990)</u>
<b>Excess (deficiency) of revenue over expenses</b>	253,889	(200,457)
<b>Net assets – Beginning of year</b>	<u>495,517</u>	<u>695,974</u>
<b>Net assets – End of year</b>	<u>749,406</u>	<u>495,517</u>

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

**Alpine Canada Alpin**  
Statement of Cash Flows  
For the year ended April 30, 2024

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	2024 \$	2023 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess (deficiency) of revenue over expenses	253,889	(200,457)
Item not affecting cash		
Amortization of property and equipment	173,832	190,890
	<u>427,721</u>	<u>(9,567)</u>
Changes in non-cash working capital		
Accounts receivable	100,471	(370,277)
Prepaid expenses	(104,780)	(150,660)
Inventory	25,850	-
Accounts payable and accrued liabilities	(658,818)	566,257
Deferred contributions	(668,726)	726,862
	<u>(878,282)</u>	<u>762,615</u>
<b>Investing activities</b>		
Purchase of property and equipment	(45,869)	(230,593)
Due from Alpine Canada Events Company Limited	350,280	(702,233)
Investment in subsidiary	71,746	176,990
	<u>376,157</u>	<u>(755,836)</u>
<b>Change in cash during the year</b>	(502,125)	6,779
<b>Cash – Beginning of year</b>	<u>707,421</u>	<u>700,642</u>
<b>Cash – End of year</b>	<u>205,296</u>	<u>707,421</u>

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

# Alpine Canada Alpin

## Notes to Financial Statements

April 30, 2024

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### 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 also registered under the Charitable Fundraising Act of Alberta (the Act) and has considered all required disclosures under Section 7(2) of the Act in preparing these financial statements.

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 comprise 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 Chartered Professional Accountants of Canada Handbook. Outlined below are those accounting policies considered particularly significant.

#### 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 the 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.

#### b) Revenue recognition

##### i) Contributions and fundraising

The Association follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. All other externally restricted contributions are deferred and recognized into revenue in the year in which the related expenses are incurred. Donations are recognized on receipt.

##### 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.



# Alpine Canada Alpin

## Notes to Financial Statements

April 30, 2024

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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) Sport development and coach education

Revenues generated from sport development 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.

vi) Events

Competitor fees and international support revenue are recognized as earned when such amounts are fixed and determinable and collection is reasonably assured. Events include domestic competitions and world cup events.

**c) 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 2024, contributed services and materials were recorded in the financial statements as sponsorship and supplier pool revenue of \$1,234,250 (2023 – \$1,069,078). Contributed volunteer services are not recognized in the financial statements because of the difficulty in determining their value.

**d) 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.

**e) Income tax status**

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

# Alpine Canada Alpin

## Notes to Financial Statements

April 30, 2024

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### f) Cash

Cash consists of cash on hand, deposits held with banks, cash held within investment account for operating and other short-term highly liquid investments, which are readily convertible into known amounts of cash.

### g) Property and equipment

Property and equipment are recorded at cost less accumulated amortization and any provision for impairment. The cost for contributed property and equipment is considered to be fair value at the date of contribution. The cost of property and equipment made up of significant separable component parts is allocated to the component parts when practicable and when estimates can be made of the estimated useful lives of the separate components.

Property and equipment are tested for impairment when conditions indicate that an asset no longer contributes to the Association's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the property and equipment is less than its net carrying amount. When conditions indicate that an asset is impaired, the net carrying amount of the asset is written down to the asset's fair value or replacement cost. The writedowns of property and equipment are recognized as expenses in the statement of operations and changes in net assets.

Writedowns are not subsequently reversed.

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:

<b>Asset</b>	<b>Rate</b>	<b>Basis</b>
Computer equipment and systems	30%	straight-line
Racing equipment	30%	straight-line
Ski equipment	20%	straight-line
Organization website	20%	straight-line
Office equipment	20%	straight-line
National Alpine Training Centre	15%	straight-line
Vehicles	30%	declining balance
Fitness testing equipment	15%	straight-line
Netting	10%	straight-line
Towers and structures	5%	straight-line

Property and equipment in progress items are not subject to amortization until they are put into use.

# Alpine Canada Alpin

## Notes to Financial Statements

April 30, 2024

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### **h) Foreign currency translation**

Foreign currency monetary assets and liabilities are translated into 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 and changes in net assets.

### **i) Investments**

Investments in subsidiaries are accounted for using the equity method. The investment is initially recognized at cost. The carrying amount is increased or decreased to reflect the investor's share of post-acquisition earnings as well as any capital transactions. Distributions from the subsidiary reduce the investment balance.

At the end of each reporting period, the Association considers whether there are indicators that a subsidiary may be impaired. When there is an indication of impairment, the Association determines whether a significant adverse change in the expected timing or amount of future cash flows from the investment has occurred during the period. If the Association identifies a significant adverse change, the carrying amount of the investment is reduced directly to the higher of the present value of the cash flows expected to be generated by holding the investment and the amount that could be realized by selling the asset at the statement of financial position date. The amount of the reduction is recognized as an impairment loss in the statement of operations and changes in net assets. A previously recognized impairment loss may be reversed to the extent of improvement, provided the adjusted carrying amount of the investment 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 the statement of operations and changes in net assets in the year the reversal occurs.

### **j) Financial instruments**

The Association initially measures financial assets originated or acquired and financial liabilities issued or assumed in an arm's length transaction at fair value. It subsequently measures its financial assets and financial liabilities at amortized cost. The financial assets subsequently measured at amortized cost include cash, accounts receivable, assets held in trust and prepaid expenses. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities and liability for assets held in trust.

All financial assets originated or acquired, and financial liabilities issued or assumed in a related party transaction, are initially measured at cost. Cost is determined by reference to the consideration transferred or received by the Association in the transaction. All financial instruments resulting from related party transactions are subsequently measured at cost less any reduction for impairment.

Transaction costs on financial assets and liabilities measured at amortized cost are adjusted against the carrying value of the related asset or liability and then recognized over the expected life of the instrument using the straight-line method.

# Alpine Canada Alpin

## Notes to Financial Statements

April 30, 2024

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At the end of each reporting period, the Association assesses whether there are any indications that a financial asset measured at cost or amortized cost may be impaired. If there are indicators of impairment, and the Association determines there has been a significant adverse change in the expected amount or timing of future cash flows, an impairment is recognized.

If circumstances change, a previously recognized impairment may be reversed to the extent of the improvement, provided the adjusted carrying amount is no greater than the amount that would have been recognized if the impairment had not been recorded.

The Association is not exposed to significant interest rate 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 the Association will not be able to meet all of its financial obligations as they come due. The Association manages its liquidity risk through adherence to its annual budget in addition to stringent management of receivables and has a \$1,260,000 (2023 – \$1,260,000) demand credit facility available (note 7). There has been no significant change in risk exposure from the previous year.

### 3 Government emergency relief COVID-19

In 2020, the Government of Canada introduced COVID-19 emergency relief measures; the pandemic is over as of fiscal 2024 and no further funding was available. In 2024, the Association received \$nil (2023 – \$1,082,861) COVID-19 emergency support and recognized \$nil (2023 – \$1,082,861) in Revenue – Government of Canada. As at April 30, 2024, \$62,000 (2023 – \$62,000) of the received COVID-19 emergency support funding is in accounts payable and accrued liabilities.

# Alpine Canada Alpin

## Notes to Financial Statements

April 30, 2024

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### 4 Government remittances

Government remittances consist of amounts required to be paid to government authorities and are recognized when the amounts are due. Government remittances related to payroll remittances total \$101,423 (2023 – \$3,177).

### 5 Sport Funding Partners

Sport Funding Partners revenue consists of funding from the Government of Canada, the Canadian Olympic Committee and the Canadian Paralympic Committee based on the technical leadership and guidance of Own the Podium. Own the Podium provides technical leadership and guidance to national sport organizations.

	2024 \$	2023 \$
Government of Canada	6,896,388	7,638,862
Canadian Olympic Committee	1,171,235	815,004
Canadian Paralympic Committee	133,710	100,701
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	8,201,333	8,554,567
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### 6 Property and equipment

	<hr/>		2024	2023
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Computer equipment and systems	413,866	337,148	76,718	112,359
Racing equipment	294,873	233,099	61,774	94,999
National Alpine Training Centre	126,552	126,552	-	-
World cup equipment	348,432	251,910	96,522	108,880
Office equipment	105,281	24,775	80,506	92,654
Fitness testing equipment	86,512	68,456	18,056	19,039
Vehicle	94,273	36,364	57,909	61,864
Netting	149,021	118,788	30,233	31,091
Towers and structures	295,000	146,795	148,205	177,000
Organization website	52,660	52,660	-	-
Ski equipment	21,844	21,844	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,988,314	1,418,391	569,923	697,886
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### 7 Available credit facility

The Association has an available \$1,260,000 (2023 – \$1,260,000) demand credit facility with a Canadian chartered bank bearing interest at prime (2023 – prime). As at April 30, 2024, \$411,901 was outstanding under this facility (2023 – \$247,867).

**Alpine Canada Alpin**  
Notes to Financial Statements  
April 30, 2024

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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.

**8 Deferred contributions**

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

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

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>Balance – Beginning of year</b>	1,349,980	623,118
Contributions in the year	9,363,497	9,765,495
Amounts recognized as revenue	<u>(10,032,223)</u>	<u>(9,038,633)</u>
<b>Balance – End of year</b>	<u>681,254</u>	<u>1,349,980</u>

**9 Fundraising expenses**

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

	<b>2024</b>	<b>2023</b>
	\$	\$
Amounts paid as remuneration to employees whose principal duties involve fundraising	285,778	231,418

**10 Related party balances and transactions**

All related party transactions are made on the terms equivalent to those that prevail in an arm's length transaction.

During the year, the Association hosted the 2024 Ski Cross World Cup (the Event) (2023 – Lake Louise World Cup) through its subsidiary, Alpine Canada Events Company Limited (note 11).

	<b>2024</b>	<b>2023</b>
	\$	\$
Due from Alpine Canada Events Company Limited	4,561,675	4,871,956
Due to Alpine Canada Events Company Limited	<u>4,209,723</u>	<u>4,169,723</u>
Amounts due from Alpine Canada Events Company Limited	<u>351,952</u>	<u>702,233</u>

# Alpine Canada Alpin

## Notes to Financial Statements

April 30, 2024

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Transactions with other related parties amounted to \$1,526,651 (2023 – \$1,888,594) and \$497,301 (2023 – \$951,524) and are included in Fundraising revenue and Partnerships, sponsorship and supplier pool revenue, respectively.

### 11 Investment – Alpine Canada Events Company Limited

Alpine Canada Events Company Limited (the subsidiary) was incorporated as a wholly owned for-profit subsidiary of the Association under the Business Corporations Act of the Government of Alberta on September 26, 2022 with the purpose of managing world cup events. This entity is required to file an income tax return.

The subsidiary's financial information for the year ended April 30, 2024 with comparatives for the period from September 26, 2022 to April 30, 2023 are summarized below.

	Year ended April 30, 2024 \$	Period from September 26, 2022 to April 30, 2023 \$
<b>Statement of Financial Position</b>		
Total assets	151,631	663,324
Accounts payable and accrued liabilities	48,415	138,081
Due to Alpine Canada Alpin	351,952	702,233
Total liabilities	400,367	840,314
Net assets – beginning of period	(176,990)	-
Net assets – end of period	(248,736)	(176,990)
<b>Statement of Operations and Changes in Net Assets</b>		
Total revenues	755,170	4,750,698
Total expenses	826,916	4,927,688
Deficiency of revenue over expenses	(71,746)	(176,990)
<b>Statement of Cash Flows</b>		
Cash from operations	351,952	(702,233)
Cash used in financing and investing activities	(350,281)	702,233
Increase in cash	1,671	-

**Alpine Canada Alpin**  
Notes to Financial Statements  
**April 30, 2024**

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**12 Commitments**

The Association has entered into an agreement for a facility for a term of five years with a three-year extension, with lease payments of \$63,415 per annum. Other commitments the Association has committed to include a copier lease.

	\$
2025	90,806
2026	89,606
2027	89,606
2028	76,382
2029	63,415
Thereafter	190,244