



Canadian Ski Patrol
Patrouille canadienne de ski

REPORT OF THE FINANCIAL OVERSIGHT COMMITTEE

OVERALL OPERATING RESULTS 31-MARCH-2021

The Canadian Ski Patrol delivers advanced first aid, injury prevention and rescue services through a volunteer network educated and certified to the highest standards – which are supported by member qualification/requalification fees, training and products revenue and donations (received and unreceipted).

The total revenues pertaining to the national office for the year ending March 31, 2021 were \$714,526 (2020 \$849,513) and the total operating expenses were \$586,936 (2020 \$796,522). The distribution of total revenue and expenses is summarized in the charts below.

Total	76%
Membership fees	(2020: 73%)
Total training & product	16% (2020: 18%)
Total donations & interest	8% (2020: 8%)
Total Revenue for the year	\$714,526
<hr/>	
Total Program Expenses	25% (2020: 31%)
Total Fundraising Expenses	3% (2020: 6%)
Governance and General Management Expenses	72% (2020: 63%)

For the year ended March 31, 2021, the Canadian Ski Patrol national office earned a surplus of revenue over expenses of \$124,590, which is largely attributable to the inability to run programs based on COVID restrictions and public health regulations.

Excluding investment income of \$12,238 the national office earned an operating surplus of \$112,352 (2020: \$42,325).

While management had forecast a 20 % reduction in membership for the year as a result of COVID, the actual decrease in membership was 11% resulting in revenue of \$545,355 (2020 \$616,308).

Although there were no actual direct mail campaigns during the year, that national office received \$14,405 through non-receipted donations via Canadahelps.org.

Income from other external programs is comprised of the affinity programs with Amazon (now ended), MBNA and Johnson Insurance.

Other income is comprised of sponsorship from Johnson Insurance to aid in cost of translation for the on-snow manual, Helly Hansen (apparel partnership) and federal COVID relief program regarding the 10% Canadian Emergency Wage Subsidy.

Expenditures of note are as follows:

- Education resources includes \$10,591 for translation.
- Insurance increase of \$ 5,828.
- Corporate communication includes \$13,048 for translation and \$19,119 for YETI project.

In 2019, the Financial Oversight Committee had recommended to the Board of Directors that the costs of the YETI implementation should be recovered from the zones. The Board has determined there will be no cost recovery from the zones and that the national office will absorb the cost of implementation based on the net surplus attained for the year ended March 31, 2021.

As at March 31, 2021, the national office financial position of net assets is \$1,309,049 (2020: \$1,184,459) which increased by \$124,590 as reflected on the statement of operations. A transfer of \$52,858 was made during the year between internally restricted and unrestricted reserves. This transfer includes \$50,000 for education per discussions with the Executive Directors and future costs surrounding the full manual rewrite, software licensing, professional manual editing and translation.

The Board of Directors have adopted policies for the internally restricted reserves which they review annually. In carrying out their assessment, the board has regard to strategic plans and financial budgets, as well as major operational, financial and external risks. These plans are aimed at achieving financial stability over the medium and long term and the board, working in conjunction with the Financial Oversight Committee takes into consideration the underlying economic climate and its potential impact on sources of revenue and planned expenditure in the event of a major unforeseen event.

A multiyear program to replenish the contingency and education reserves in order to ensure these reserves are funded and maintained in a segregated bank account or investment account versus commingled with the general operating cash of the Canadian Ski Patrol has resulted in the direction to transfer cash (\$218,465) from general operating funds as the designated funds set aside by action of the Board of Directors. The internally restricted reserves provide a combined result which enable the Canadian Ski Patrol, if necessary, to make the required

changes to bring revenues and expenditures into line to ensure continuity of the operations. These reserves are now supported by cash and securities.

Reserve funds (summarized below) will offer the Canadian Ski Patrol the following important benefits:

- Creating confidence in the organization's stewardship and financial management
- Become self-sufficient
- Fund a new strategic direction
- Explain why funding is needed to undertake a project or activity
- Avoid undesirable cost reduction measures
- Prepare for market related and/or "Black Swan" events
- Reduce impact of any industry specific risks

Operating reserve: covers the normal operating costs of the organization should an unexpected shortfall occur. Consider this reserve as "insurance" to ensure the long-term continuity of operations.

Contingency reserve: this reserve is in place to manage changes in laws, regulations or catastrophic events. This is also a reserve for potential payouts relating to human resource-related issues.

Education (special program) reserve: this reserve is in place for new programs, research and development and is typically linked to the budget approved or the funding provided for the initiative.

In determining the ideal reserve level for maintaining sufficient liquid assets without being considered excessive, the Board of Directors and Financial Oversight Committee considered the specific needs of the Canadian Ski Patrol and based their discussion and decisions on the history of the organization in order to mitigate against any future adverse financial consequences.

As well, the increasing pace of change and uncertainty in today's operating environment requires that the organization be proactive, nimble and financially astute. Maintaining the financial health, including well thought-out reserves will enable the Canadian Ski Patrol to prepare for the future, achieve their strategic goals and missions, while at the same time provide stability in day-to-day operations.

The Financial Oversight Committee working in conjunction with the national management team will begin to develop a five-year financial forecast for all significant revenue and expenditure aspects of the Canadian Ski Patrol. This forecast will address trademark licensing, membership fees, written cases for support from zone and divisions in addition to supporting the reserves and enabling management to develop insight into key drivers and visualize trends that are not evident in the annual budgets.

Uncertainties remain surrounding COVID-19, its' emerging variants and vaccines. The extent to which these factors impact the national office operations will depend on future developments outside the Canadian Ski Patrol's control which are highly uncertain and cannot be predicted with confidence, including the duration, severity and the actions that may be required. The

Board of Directors and Financial Oversight Committee continue to monitor the situation and at this time consider there is reasonable expectation that the national office has adequate liquidity and business plans to continue to operate and mitigate the risks associated with COVID-19.

The audited financial statements (indexed with this report) have been prepared in accordance with Canadian generally accepted auditing standards and present fairly, in all material respects, the financial position, results of operations and cash flows of the Canadian Ski Patrol national office.

There are no key audit or unresolved matters that need to be communicated.

ACCOUNTABILITY AND OVERSIGHT

The Financial Oversight Committee's role is to act in an objective, independent capacity as a liaison between the external auditor, management and the board of directors to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations. The committee is comprised of volunteers with expertise in finance, accounting, assurance and risk management. In addition to key audit process, they review the annual operating plan and budget, monitor financial performance and internal control environments.

During the year, the Financial Oversight Committee strengthened its enterprise in processes, reporting practices, quality oversight and compliance. The committee continues its work on risk management.

The Financial Oversight Committee would like to thank the Board of Directors, national office staff and strong volunteer base for working with us and as we look forward to 2022, we will continue to build and maintain the strong financial foundation we have worked so diligently to achieve over the past three years.

Respectfully submitted:

Financial Oversight Committee:
Chair, Pam FitzGerald, LM #73
Tim Manery, CSP #831
Anne Haley-Callaghan, LM #68
Ross Forbes, LM #67



Canadian Ski Patrol
Patrouille canadienne de ski

OPERATING BUDGETS

The 2021 fiscal year for the Canadian Ski Patrol national office continued its' focus on recovery from accumulated deficits. Revenue of \$714,526 is a 16% decrease to the prior year (2020: \$849,513) yet exceeded budget expectations (\$627,478) by \$87,048. Operating expenses of \$589,936 during the year were lower than the previous actual (2020: \$796,522) and budget expectations (\$608,444) by \$18,508.

An operating budget lays out the plan for what an organization wants to achieve during a certain period of time. The Board of Directors approves an annual operating plan and budget and receives quarterly reports from the National Management Committee. Additionally, the Finance Committee monitors the financial performance and can issue recommendations for remedial steps to trigger changes if and as deemed necessary.

SUMMARY OF OPERATING BUDGET TO ACTUAL FOR THE YEAR ENDED 31-MAR-2020

REVENUE:

Sales of \$92,183 was over budget (\$68,427) by \$24,036 which is attributed in large part to significant uptick in Ferno sales.

Membership fees \$545,355 was over budget (\$491,589) by \$53,766 and is the direct result of higher than anticipated membership levels.

Program revenue of \$1,365 was small contribution from zone ski swap.

EXPENSES:

Leadership conference, internal and external meetings of \$4,206 consistent with budget.

Education resources of \$14,673 was over budget (\$10,000) by \$4,673 due in large part to translation costs of educational materials.

Head office of \$295,317 was under budget (\$327,753) by \$32,436 due to staffing changes, reduction in overhead and rent.

Cost of sales \$85,074 was over budget (\$65,419) by \$19,655 increase in Ferno sales.

Professional fees \$9,656 was under budget (\$38,000) by \$28,344 and is related to professional fees regarding governance matters deferred to next fiscal year.

The Financial Oversight Committee is not aware of any cause for concern with respect to matters affecting the financial results for the year and considering impact of COVID restrictions determines the revenue and expenses reasonable.

OPERATING BUDGET FOR THE YEAR ENDING 31-MAR-2022

Due to the ongoing uncertainty surrounding COVID-19, the Financial Oversight Committee charged the Board of Directors to continue their engagement and supplemental leadership in conjunction with new Co-Executive Directors with respect to the affairs of operational budget matters as they relate to the year ending March 31, 2022. The committee maintains that in the case of these uncertainties, the grey line separating the roles of governance and management functions must temporarily become translucent at the least, transparent at best.

In reviewing the operating budget, the Financial Oversight Committee advised the Board of Directors to adopt a pragmatic approach for a second year in order to further determine if there will be a need to amend any financial planning as the organization moves forward given the current situation.

As an organization, the FOC advises the membership that the national office will continue to focus on the essentials and has prepared the 2022 operating budget based on austerity measures consistent with the prior year. Additionally, the Financial Oversight Committee will oversee the financial results while recognizing their reviews may require change recommendation to mitigate any risk.

While COVID-19 "relief" programs initiated by the Canadian Government remain in place, we wish to advise the membership that the national office utilized the 10% wage subsidy program initially and subsequently (based on cash flow) the oversight committee determined with board agreement there would be no further need to access programs.

The Financial Oversight Committee recommended the Board of Directors accept and approve the operating budget for the year ending March 31, 2022 with no reduction in membership fees for the foreseeable future.

Respectfully submitted:

Financial Oversight Committee:
Chair, Pam FitzGerald, LM #73
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- Appendix 1: Operating budget comparative to actual 31-MAR-20
Operating budget (approved) 31-MAR-21
- Appendix 2: Summary of Reserves 2015-2021

Canadian Ski Patrol-Patrouille Canadienne de Ski Operating budget	31-MAR-21 Actual (Audited)	31-MAR-21 Budget (Approved)	31-MAR-22 Budget (APPROVED)
Sales	\$92,183	\$68,147	\$89,035
Internal revenue			
Membership fees	545,355	491,589	543,818
Program revenue	1,365	0	0
	631,537	667,871	543,818
External revenue			
Direct mail	21,075	12,000	35,000
Other external programs	5,222	20,926	0
	55,166	62,900	35,000
Other Revenue			
Expense recoveries	22,187	23,680	27,665
Interest	12,238	7,500	35,135
Leadership conference	0	0	0
Other income	14,901	3,636	4,200
	49,326	34,816	67,000
	714,526	627,478	734,853
Expenses			
Amortization of tangible capital assets	1,633	580	1635
Fund development	18,505	13,000	29,800
Leadership conference	4,206	4,000	4,000
Internal meetings	-495	1,600	7,000
External meetings and fees	603	600	600
Education resources	14,673	10,000	15,000
Insurance	105,888	100,471	131,300
Governance and management administration	295,317	327,753	333,254
Corporate communications	43,622	50,000	36,700
Finance	6,801	9,200	14,816
Board/MC expenses	0	600	1,000
Cost of sales	85,074	65,419	77,100
Patroller resources	4,453	3,800	4,625
Professional fees	9,656	38,000	47,500
	589,936	625,023	704,330
Excess of revenue over expenses for the year	124,590	2,455	39,523

Canadian Ski Patrol/patrouille canadienne de ski

Summary of reserves 2012 - 2021

(November 2018 - implementaion of Financial Oversight Committee)

	RESERVE	Segregated Bank	Investments	Difference
March 31, 2018				
Contingency	135,640	-	52,005	83,635
Education	75,000	-	0	75,000
	<u>210,640</u>	<u>-</u>	<u>52,005</u>	<u>158,635</u>
March 31, 2019				
Contingency	136,215	-	52,578	83,637
Education	75,000	-	0	75,000
	<u>211,215</u>	<u>-</u>	<u>52,578</u>	<u>158,637</u>
March 31, 2020				
Contingency	146,881	-	53,416	93,465
Education	75,000	-	0	75,000
Operational	761,036	-	761,036	0
	<u>982,917</u>	<u>-</u>	<u>814,452</u>	<u>168,465</u>
March 31, 2021				
Contingency	146,881	-	53,416	93,465
Education	125,000	-	0	125,000
Operational	763,894	-	763,894	0
	<u>1,035,775</u>	<u>-</u>	<u>817,310</u>	<u>218,465</u>

Cash transfer summary approved by Board of Directors Aug 4, 2021

Cash balance 31-MAR-21	454,289	(a)
Plus: revenue Apr 2021 - Mar 2022	699,718	(b)
Less: operating expense Apr 2021 - Mar 2022	-681,079	(b)
Other (income) expenses	-13,519	(b)
Less: cash transfer for contingency	-93,465	
Less: cash transfer for education	-125,000	
Cash balance 31-Mar-22	<u>240,944</u>	

(a) agrees to audited financial statements

(b) agrees to approved operational budget



CANADIAN SKI PATROL

Financial Statements

For the year ended March 31, 2021



**Canadian Ski Patrol / Patrouille Canadienne de Ski
National Office
Financial Statements
For the year ended March 31, 2021**

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Independent Auditor's Report

To the Members of Canadian Ski Patrol / Patrouille Canadienne de Ski - National Office

Qualified Opinion

We have audited the financial statements of Canadian Ski Patrol / Patrouille Canadienne de Ski - National Office (the "organization") which comprise the statement of financial position as at March 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effect of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2021, 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 Qualified Opinion

In common with many charitable organizations, the organization derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the organization. Our audit opinion on the financial statements for the year ended March 31, 2020 was also qualified because of the possible effects of this limitation in scope. Therefore we were not able to determine whether any adjustments may be necessary to the organization's donations and fundraising revenues, excess of revenue over expenses and cash flows from operations for the years ended March 31, 2021 and 2020, assets as at March 31, 2021 and 2020, and the net assets at both the beginning and end of the March 31, 2021 and 2020 years.

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 are independent of the organization 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 qualified opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the organization's Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Other Information (continued)

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 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.

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.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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.

Baker Tilly Ottawa LLP

Chartered Professional Accountants, Licensed Public Accountants
August 25, 2021
Ottawa, Ontario

Canadian Ski Patrol - Patrouille Canadienne de Ski
National Office
Statement of Financial Position

March 31 2021 2020

Assets

Current assets

Cash (Note 1)	\$ 454,289	\$ 371,506
Short-term investments (Note 1)	54,033	53,416
Accounts receivable (Note 3)	25,023	5,572
Inventory	1,735	2,453
Prepaid expenses	60,382	52,432

595,462 485,379

Internally restricted investments (Note 2) 763,895 761,036

Tangible capital assets (Note 4) 2,906 4,539

\$ 1,362,263 \$ 1,250,954

Liabilities and Net Assets

Current liabilities

Accounts payable and accrued liabilities (Note 3)	\$ 50,362	\$ 62,913
Government remittances payable	-	1,357
Deferred revenue (Note 5)	2,852	2,225

53,214 66,495

Contingent liability (Note 6)

Net assets

Net assets internally restricted for invested in capital assets	2,906	4,539
Net assets internally restricted for operating reserve	763,894	761,036
Net assets internally restricted for education reserve	125,000	75,000
Net assets internally restricted for contingency reserve	146,881	146,881
Unrestricted net assets	270,368	197,003

1,309,049 1,184,459

\$ 1,362,263 \$ 1,250,954

On behalf of the Board:



Director



Director

**Canadian Ski Patrol - Patrouille Canadienne de Ski
National Office
Statement of Changes in Net Assets**

For the year ended March 31

2021

2020

	Internally restricted				Unrestricted	Net Assets	Net Assets
	Invested In Capital Assets	Operating Reserve	Education Reserve	Contingency Reserve			
Balance , beginning of year	\$ 4,539	\$ 761,036	\$ 75,000	\$ 146,881	\$ 197,003	\$ 1,184,459	\$ 427,894
Excess of revenue over expenses for the year	(1,633)	-	-	-	126,223	124,590	756,565
Transfers							
Interest earned on funds internally restricted for contingency reserve (Note 7)	-	2,858	-	-	(2,858)	-	-
From unrestricted net assets to internally restricted for education reserve	-	-	50,000	-	(50,000)	-	-
Balance , end of year	\$ 2,906	\$ 763,894	\$ 125,000	\$ 146,881	\$ 270,368	\$ 1,309,049	\$ 1,184,459

Canadian Ski Patrol - Patrouille Canadienne de Ski

National Office

Statement of Operations

For the year ended March 31 2021 2020

	Budget (Unaudited)	Total	Total
Revenue			
Sales (Note 3)	\$ 68,147	\$ 92,183	\$ 75,405
Internal revenue			
Membership fees	491,589	545,355	616,308
Program revenue	-	1,365	15,229
	491,589	546,720	631,537
External revenue			
Direct mail	12,000	21,075	46,217
Other external programs	20,926	5,222	8,049
Other rent	-	-	900
	32,926	26,297	55,166
Other Revenue			
Expense recoveries	23,680	22,187	38,967
Interest (Note 7)	7,500	12,238	10,666
Leadership conference	-	-	36,586
Other income	3,636	14,901	1,186
	34,816	49,326	87,405
	627,478	714,526	849,513
Expenses			
Amortization of tangible capital assets	580	1,633	1,522
Fund development	13,000	18,505	30,439
Leadership conference	4,000	4,206	66,883
Internal meetings	1,600	(495)	72,993
External meetings	600	603	3,188
Education resources	10,000	14,673	5,370
Insurance	100,471	105,888	100,060
Head office	327,753	295,317	346,254
Corporate communications	50,000	43,622	39,208
Finance	9,200	6,801	12,854
Board/MC expenses	600	-	1,847
Cost of sales	65,419	85,074	66,422
Patroller resources	3,800	4,453	4,733
Professional fees	38,000	9,656	44,749
	625,023	589,936	796,522
Excess of revenue over expenses before gain on sale of tangible capital assets	2,455	124,590	52,991
Gain on sale of tangible capital assets	-	-	703,574
Excess of revenue over expenses for the year	\$ 2,455	\$ 124,590	\$ 756,565

**Canadian Ski Patrol - Patrouille Canadienne de Ski
National Office
Statement of Cash Flows**

For the year ended March 31	2021	2020
Cash flows from operating activities		
Excess of revenue over expenses for the year	\$ 124,590	\$ 756,565
Adjustments for		
Amortization of tangible capital assets	1,633	1,522
Gain on disposal of tangible capital assets	-	(703,574)
	126,223	54,513
Changes in non-cash working capital items		
Accounts receivable	(19,451)	48,759
Inventory	718	432
Prepaid expenses	(7,950)	(3,516)
Accounts payable and accrued liabilities	(12,551)	(4,221)
Deferred revenue	627	282
Government remittances payable	(1,357)	1,357
	86,259	97,606
Cash flows from investing activities		
Net increase in short-term investments	(617)	(838)
Net increase in internally restricted investments	(2,859)	(761,036)
Purchase of tangible capital assets	-	(2,526)
Proceeds from disposal of tangible capital assets	-	750,000
	(3,476)	(14,400)
Increase in cash during the year	82,783	83,206
Cash, beginning of year	371,506	288,300
Cash, end of year	\$ 454,289	\$ 371,506

Canadian Ski Patrol - Patrouille Canadienne de Ski

National Office

Summary of Significant Accounting Policies

March 31, 2021

Nature of Organization	<p>Canadian Ski Patrol - Patrouille Canadienne de Ski is incorporated under the laws of Canada to promote safe skiing and to provide assistance to injured skiers and was continued under the Canada Not-for-profit Corporations Act on June 27, 2013. The Canadian Ski Patrol - Patrouille Canadienne de Ski is a registered charity under the Income Tax Act and is therefore exempt from income taxes and may issue official donation receipts to donors.</p> <p>The accompanying financial statements reflect the assets, liabilities and operating results of the Canadian Ski Patrol / Patrouille Canadienne de Ski - National Office (the "organization"). Canadian Ski Patrol - Patrouille Canadienne de Ski also includes the operations of zones and divisions for which the organization maintains strategic operating control. For example, membership fees, education authority, regulations and rule of conduct, and specific expenditures are mandated by the organization's board of directors. The results of the zones and divisions with material operations are presented in note 10.</p>
Basis of Presentation	<p>These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles.</p>
Financial Instruments	<p><i>Measurement of financial instruments</i></p> <p>Financial instruments are financial assets or liabilities of the organization where, in general, the organization has the right to receive cash or another financial asset from another party or the organization has the obligation to pay another party cash or other financial assets.</p> <p>The organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions that are measured at the exchange amount.</p> <p>The organization subsequently measures all its financial assets and financial liabilities at 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 excess of revenue over expenses.</p> <p>Financial assets and financial liabilities measured at amortized cost include cash, short-term deposits, accounts receivable and accounts payable and accrued liabilities.</p> <p><i>Impairment</i></p> <p>Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down, if any, is recognized in excess of revenues over expenses. The previously recognized impairment loss may be reversed, to the extent of the improvement, directly or by adjusting the allowance account. The reversal may be recorded provided it is no greater than the amount that had been</p>

Canadian Ski Patrol - Patrouille Canadienne de Ski National Office Summary of Significant Accounting Policies

March 31, 2021

Financial Instruments (continued)	<p>previously reported as a reduction in the asset and it does not exceed original cost. The amount of the reversal is recognized in the excess of revenue over expenses.</p> <p><u>Transaction costs</u> The organization recognizes its transactions costs in the excess of revenue over expenses in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.</p>				
Revenue Recognition	<p>The organization follows the deferral method of accounting for contributions. 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.</p> <p>Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.</p> <p>Membership fees are set annually by the board of directors and are recognized as revenue proportionately over the fiscal year.</p> <p>Sales are recognized at the time of shipment. Other revenues are recorded when earned.</p>				
Contributed Materials and Services	<p>Contributed materials and services which are used in the normal course of the organization's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.</p>				
Inventory	<p>Inventory is stated at the lower of cost and net realizable value. Cost was determined on a first-in, first-out basis.</p>				
Tangible Capital Assets	<p>Tangible capital assets are recorded at cost. Amortization is based on the estimated useful life of the asset and is provided as follows:</p> <table><tr><td>Computer</td><td>30% declining balance basis</td></tr><tr><td>Office equipment</td><td>20% declining balance basis</td></tr></table> <p>Computer and office equipment are amortized at half the regular rate in the year of acquisition.</p>	Computer	30% declining balance basis	Office equipment	20% declining balance basis
Computer	30% declining balance basis				
Office equipment	20% declining balance basis				

**Canadian Ski Patrol - Patrouille Canadienne de Ski
National Office
Summary of Significant Accounting Policies**

March 31, 2021

Education Reserve Fund	The education reserve fund represents net assets internally restricted for education. The revenue and expenses applied to the reserve are determined by the board of directors. The maximum balance in the fund has been set at \$125,000. On an ongoing basis, the fund will be replenished from general revenues to maintain the maximum reserve.
Operating Reserve	The operating reserve represents net assets internally restricted to help offset future unexpected shortfalls in revenues to cover normal operating costs. The revenue and expenses applied to the reserve are determined by the board of directors.
Invested in Capital Assets	Net assets invested in capital assets is comprised of the net book value of tangible capital assets.
Contingency Reserve	Contingency reserve represents net assets internally restricted for the following contingencies: <ul style="list-style-type: none">a. to cover cash flow needs of the organization for a period not to go beyond the fiscal year end of March 31st; orb. to fund special projects for which such borrowing has been authorized by the board of directors.

Canadian Ski Patrol - Patrouille Canadienne de Ski National Office Notes to Financial Statements

March 31, 2021

1. Cash and Short-Term Deposits

Cash and short-term deposits are held at one chartered bank.

Short-term deposit consist of one-year term guaranteed investment certificates earning interest 1.15% expiring April 2021.

2. Internally Restricted Investments

Investments are held with two chartered banks, with approximately \$101,000 invested in US dollars.

	2021		2020	
Cash	\$	2,563	\$	-
Guaranteed investment certificates		-		761,036
Fixed income securities, equities and equity funds		761,332		-
	\$	763,895	\$	761,036

3. Related Party Transactions

All revenue from sales, membership fees and program revenues are earned from divisions and zones making up the organization.

Accounts receivable includes an amount of \$4,845 (2020 - \$4,527) from divisions and zones.

Accounts payable includes an amount of \$9,346 (2020 - \$8,388) to divisions and zones.

4. Tangible Capital Assets

	2021			2020		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Computer	\$ 45,333	\$ 43,918	\$ 1,415	\$ 45,333	\$ 42,658	\$ 2,675
Office equipment	14,350	12,859	1,491	14,350	12,486	1,864
	\$ 59,683	\$ 56,777	\$ 2,906	\$ 59,683	\$ 55,144	\$ 4,539

**Canadian Ski Patrol - Patrouille Canadienne de Ski
National Office
Notes to Financial Statements**

March 31, 2021

5. Deferred Revenue

Deferred revenue represents revenue received during the year that relate to expenses and events occurring in the subsequent year.

	<u>2021</u>	<u>2020</u>
Beginning balance	\$ 2,225	\$ -
Less: Amounts recognized as revenue in the year	(1,725)	-
Add: Amounts received related to the following year	<u>2,352</u>	<u>2,225</u>
Ending balance	<u>2,852</u>	<u>\$ 2,225</u>

6. Contingent Liability

As national office of the Canadian Ski Patrol, the organization is thereby contingently liable for obligations of the divisions and zones comprising the Canadian Ski Patrol.

There are multiple lawsuits filed against the organization for incidents which arose in the ordinary course of business. In the opinion of management, the outcome of the lawsuits, now pending, is not determinable. Should any additional losses result from the resolution of these claims, such loss will be accounted for in the period of settlement.

7. Interest Revenue

	<u>2021</u>	<u>2020</u>
Revenue earned on internally restricted resources	<u>\$ 12,238</u>	<u>\$ 10,666</u>

In accordance with Canadian accounting standards for not-for-profit organizations, all interest revenue is recorded in the statement of operations. Interest earned on internally restricted contingency reserve funds is transferred from the operating fund on the statement of changes in net assets, as designated by the board of directors.

8. Risks and Concentrations

The association is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentrations as at March 31, 2021.

**Canadian Ski Patrol - Patrouille Canadienne de Ski
National Office
Notes to Financial Statements**

March 31, 2021

8. Risks and Concentrations (continued)

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 organization is exposed to this credit risk mainly in respect of its accounts receivable.

Liquidity Risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk. The organization is only exposed to interest rate risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk on its fixed interest investments.

Changes in Risk

There have been no changes in the organization's risk exposures from the prior year.

9. COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the entity's environment and in the global markets, possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on Canadian Ski Patrol / Patrouille Canadienne de Ski's operations. The extent of the impact of this outbreak and related containment measures on Canadian Ski Patrol / Patrouille Canadienne de Ski's operations cannot be reliably estimated at this time.

10. Divisions and Zones

The divisions and zones that operate under Canadian Ski Patrol - Patrouille Canadienne de Ski are separate not-for-profit organizations. The unconsolidated information present below represent the zones and divisions with material operations and are unaudited..

Divisions and zones whose operations are considered immaterial have not been included in the information below as the cost to compile the information would exceed the benefit provided.

Canadian Ski Patrol - Patrouille Canadienne de Ski

National Office Notes to Financial Statements

March 31, 2021

10. Divisions and Zones (continued)

Financial Position

	March 31, 2021			March 31, 2020		
	Assets	Liabilities	Net Assets	Assets	Liabilities	Net Assets
Divisions						
Atlantic East	\$ 33,901	\$ 29,156	\$ 4,745	\$ 33,909	\$ 29,156	\$ 4,753
Atlantic West	28,127	2,315	25,812	18,677	3,035	\$ 15,642
Quebec	69,890	0	69,890	60,404	0	60,404
Ontario	102,464	65,813	36,651	97,638	66,107	31,531
Manitoba	31,201	1,490	29,711	26,752	819	25,933
Saskatchewan	218,306	10	218,296	204,157	0	204,157
Mountain	136,872	66,329	70,543	114,707	45,609	69,098
Pacific South	49,970	1,022	48,948	46,528	88	46,440
	\$ 670,731	\$ 166,135	\$ 504,596	\$ 602,772	\$ 144,814	\$ 457,958
Zones						
Nova Scotia	\$ 91,798	\$ 16,826	\$ 74,972	\$ 91,232	\$ 16,826	\$ 74,406
Eastern Townships	76,377	1,839	74,538	72,321	39	72,282
Gatineau	460,659	150,177	310,482	535,741	96,032	439,709
Laurentian	35,746	0	35,746	38,816	895	37,921
Saguenay Lac St Jean	22,335	1,777	20,558	23,801	1,777	22,024
Sept-Iles	33,993	755	33,238	26,235	95	26,140
Central	739,676	84,631	655,045	804,064	101,460	702,604
Kawartha	270,724	27,770	242,954	272,399	5,351	267,049
Sault Ste Marie	27,268	800	26,468	35,780	3,701	32,079
Western	125,545	-1,534	127,079	134,045	159	133,886
Muskoka	19,969	0	19,969	22,927	0	22,927
Red River	24,538	0	24,538	22,527	0	\$ 22,527
Qu'Appelle	56,628	30,000	26,628	60,569	30,000	30,569
Calgary	497,561	172,501	325,060	510,874	132,494	378,380
Edmonton	204,847	69,037	135,810	244,201	112,983	131,218
Red Deer	80,336	0	80,336	94,315	0	94,315
Southern Alberta	154,913	70,279	84,634	164,834	83,232	81,602
Pembina	25,580	12,901	12,679	29,672	19,054	10,618
Peace	69,383	25	69,358	55,064	0	55,064
Palliser	32,742	6,072	26,670	33,206	12,138	21,068
Apex	69,568	11,002	58,566	68,645	7,128	61,517
Inter-Mountain	76,645	240	76,405	87,129	8,629	78,500
Rocky Mountain	23,154	-179	23,333	24,376	1,200	23,176
Greater Vancouver	555,681	-436	556,117	583,476	-302	583,778
Confederation	37,344	1,138	36,206	39,825	1,138	38,687
Baie Comeau	20,980	0	20,980	18,900	0	18,900
Maurice	19,982	0	19,982	20,522	94	20,428
Quebec	24,386	3,343	21,043	19,663	4,753	14,910
Bois-Francis	63,422	5,531	57,891	52,268	0	52,268
Frontenac	23,794	0	23,794	24,351	0	24,351
Superior	19,752	0	19,752	22,232	3,000	19,232
Ogopogo	104,264	8,199	96,065	90,645	9,620	81,025
Purden Lake Patrol	27,471	1,033	26,438	27,408	636	26,772
Prince George	28,335	210	28,125	30,163	0	30,163
	\$ 4,145,396	\$ 673,937	\$ 3,471,459	\$ 4,382,227	\$ 652,132	\$ 3,730,095

Canadian Ski Patrol - Patrouille Canadienne de Ski

**National Office
Notes to Financial Statements**

March 31, 2021

10. Divisions and Zones (continued)

Results of Operations

For the year ended

	March 31, 2021			March 31, 2020		
	Revenue	Expenses	Excess of (deficiency) of Revenue over Expenses	Revenue	Expenses	Excess of (deficiency) of Revenue over Expenses
Divisions						
Atlantic East	\$ 17	\$ 25	\$ (8)	\$ 306	\$ 31	\$ 275
Atlantic West	12,580	2,410	10,170	0	2,651	(2,651)
Quebec	21,460	11,974	9,486	30,696	23,799	6,897
Ontario	9,648	4,528	5,120	22,905	25,381	(2,476)
Manitoba	13,129	9,351	3,778	11,650	10,611	1,039
Saskatchewan	72,247	58,108	14,139	71,107	72,811	(1,704)
Mountain	123,861	122,416	1,445	310,490	304,460	6,030
Pacific South	12,503	9,995	2,508	33,801	23,309	10,492
	\$ 265,445	\$ 218,807	\$ 46,638	\$ 480,955	\$ 463,053	\$ 17,902
Zones						
Nova Scotia	\$ 68,530	\$ 67,964	\$ 566	\$ 136,720	\$ 126,215	\$ 10,505
Eastern Townships	55,814	53,558	2,256	85,357	70,707	14,650
Gatineau	54,981	184,208	(129,227)	258,250	146,958	111,292
Laurentian	13,491	15,666	(2,175)	39,630	43,831	(4,201)
Saguenay Lac St Jean	44,332	45,798	(1,466)	44,332	45,798	(1,466)
Sept-Iles	15,408	8,310	7,098	12,970	9,647	3,323
Central	749,639	797,198	(47,559)	377,247	379,885	(2,638)
Kawartha	48,768	72,863	(24,095)	81,711	91,276	(9,565)
Sault Ste Marie	2,883	8,494	(5,611)	23,226	21,885	1,341
Western	31,529	38,336	(6,807)	66,930	52,959	13,971
Muskoka	6,104	9,062	(2,958)	61,444	57,685	3,759
Red River	7,650	5,639	2,011	13,264	14,465	(1,201)
Qu'Appelle	4,542	8,483	(3,941)	29,935	23,161	6,774
Calgary	28,106	81,426	(53,320)	155,129	149,651	5,478
Edmonton	85,558	80,966	4,592	130,985	117,114	13,871
Red Deer	6,660	20,639	(13,979)	69,209	42,820	26,389
Southern Alberta	27,225	24,193	3,032	77,404	87,708	(10,304)
Pembina	7,070	5,009	2,061	7,478	9,390	(1,912)
Peace	48,380	34,086	14,294	66,915	49,198	17,717
Palliser	16,226	10,624	5,602	24,761	17,889	6,872
Apex	9,905	12,856	(2,951)	200,743	179,631	21,112
Inter-Mountain	11,624	13,719	(2,095)	27,342	18,941	8,401
Rocky Mountain	18,796	18,639	157	29,915	26,508	3,407
Greater Vancouver	86,831	114,492	(27,661)	327,077	297,521	29,556
Confederation	10,828	13,309	-2,481	23,338	11,002	12,336
Baie Comeau	7,945	5,865	2,080	12,940	9,294	3,646
Maurice	11,084	11,530	-446	25,170	16,430	8,740
Quebec	36,148	30,015	6,133	53,001	50,240	2,761
Bois-Francis	26,813	21,190	5,623	41,282	36,263	5,019
Frontenac	12,930	13,487	-557	54,497	43,715	10,782
Superior	8,163	7,643	520	19,630	10,737	8,893
Ogopogo	41,118	26,078	15,040	64,827	63,735	1,092
Purden Lake Patrol	762	1,096	-334	1,500	644	856
Prince George	13,756	15,794	(2,038)	24,246	20,250	3,996
	\$ 1,619,599	\$ 1,878,235	\$ (258,636)	\$ 2,668,405	\$ 2,343,153	\$ 325,252

Canadian Ski Patrol - Patrouille Canadienne de Ski

**National Office
Notes to Financial Statements**

March 31, 2021

10. Divisions and Zones (continued)

Cash Flows

For the year ended

	March 31, 2021			March 31, 2020		
	Cash (deficiency) from Operations	Cash used in financing or investing activities	Increase (decrease) in cash	Cash (deficiency) from Operations	Cash used in financing or investing activities	Increase (decrease) in cash
Divisions						
Atlantic East	\$ (8)	\$ -	\$ (8)	\$ 275	\$ -	\$ 275
Atlantic West	9,450	-	9,450	(2,651)	-	(2,651)
Quebec	9,762	-	9,762	6,621	-	6,621
Ontario	7,738	-	7,738	2,205	-	2,205
Manitoba	4,449	-	4,449	(602)	-	(602)
Saskatchewan	11,148	-	11,148	(4,617)	-	(4,617)
Mountain	25,543	-	25,543	66,257	-	66,257
Pacific South	10,347	-	10,347	10,067	-	10,067
	\$ 78,429	\$ -	\$ 78,429	\$ 77,555	\$ -	\$ 77,555

Zones

Nova Scotia	\$ (4,166)	\$ -	\$ (4,166)	\$ 35,590	\$ (9,500)	\$ 26,090
Eastern Townships	(2,620)	-	(2,620)	(2,804)	-	(2,804)
Gatineau	(79,092)	-	(79,092)	88,303	-	88,303
Laurentian	(2,160)	-	(2,160)	(5,318)	-	(5,318)
Saguenay Lac St Jean	22,566	-	22,566	(14,279)	-	(14,279)
Sept-Iles	4,057	-	4,057	1,328	-	1,328
Central	(128,453)	-	(128,453)	42,873	(28,855)	14,018
Kawartha	(52,912)	-	(52,912)	(22,438)	-	(22,438)
Sault Ste Marie	(4,054)	-	(4,054)	6,750	(2,876)	3,874
Western	20,409	-	20,409	6,680	-	6,680
Muskoka	(2,833)	-	(2,833)	4,394	-	4,394
Red River	2,011	-	2,011	(1,201)	-	(1,201)
Qu'Appelle	(9,098)	-	(9,098)	13,268	-	13,268
Calgary	28,270	(10,458)	17,812	20,394	(22,741)	(2,347)
Edmonton	(36,783)	-	(36,783)	27,944	(10,797)	17,147
Red Deer	(13,979)	-	(13,979)	26,389	-	26,389
Southern Alberta	(9,921)	-	(9,921)	(23,578)	-	(23,578)
Pembina	(3,263)	-	(3,263)	17,321	-	17,321
Peace	12,864	-	12,864	18,233	(15,587)	2,646
Palliser	545	-	545	13,296	(2,095)	11,201
Apex	5,629	(4,709)	920	20,984	-	20,984
Inter-Mountain	(10,648)	-	(10,648)	6,373	-	6,373
Rocky Mountain	1,958	-	1,958	3,126	-	3,126
Greater Vancouver	(16,875)	-	(16,875)	50,891	(20,593)	30,298
Confederation	(2,481)	-	(2,481)	12,336	-	12,336
Baie Comeau	2,080	-	2,080	3,646	-	3,646
Maurice	(446)	-	(446)	8,740	-	8,740
Quebec	4,723	-	4,723	2,761	-	2,761
Bois-Francis	5,623	-	5,623	5,019	-	5,019
Frontenac	(557)	-	(557)	10,782	-	10,782
Superior	520	-	520	8,893	-	8,893
Ogopogo	15,040	-	15,040	1,092	-	1,092
Purden Lake Patrol	(334)	-	(334)	856	-	856
Prince George	(4,435)	-	(4,435)	4,797	(1,562)	3,235
	\$ (281,029)	\$ (15,167)	\$ (296,196)	\$ 346,855	\$ (113,044)	\$ 233,811