

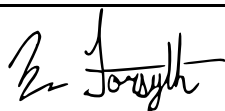
**BULKLEY VALLEY CROSS COUNTRY SKI CLUB**  
**STATEMENT OF FINANCIAL POSITION**  
For the year ended June 30, 2020  
(Unaudited)

	Operating Fund	Capital Fund	Reserve Funds	Total 2020	2019
<b><u>ASSETS</u></b>					
<b>CURRENT</b>					
Cash, unrestricted	60,585	-	-	60,585	40,562
Cash, restricted (Gaming acct)	6,391			6,391	
Accounts receivable/Prepaid exp	259	-	-	259	259
GST receivable	-	-	-	0	0
	67,234			67,234	40,821
<b>TERM DEPOSITS</b>		-	57,462	57,462	76,417
<b>DUE (TO) FROM OTHER FUNDS</b>	(58,229)		58,229	0	0
<b>PROPERTY, EQUIPMENT, Sch 1</b>	-	717,464	-	717,464	682,113
	9,006	717,464	115,690	842,160	799,351
<b><u>LIABILITIES</u></b>					
<b>CURRENT</b>					
Accounts payable	2,106	-	-	2,106	866
GST payable	(610)			(610)	(1,106)
Payroll related payables	(157)	-	-	(157)	(157)
	1,340	0	0	1,340	(397)
<b><u>FUND BALANCES</u></b>					
<b>OPERATING NET ASSETS</b>	7,666			7,666	1,275
<b>INVESTED IN CAPITAL ASSETS</b>	-	717,464		717,464	682,113
<b>RESERVE FUNDS</b>	-	-	115,690	115,690	116,360
	7,666	717,464	115,690	840,820	799,748
	9,006	717,464	115,690	842,160	799,351

Approved by the Board



Director



Director

**BULKLEY VALLEY CROSS COUNTRY SKI CLUB**  
**STATEMENT OF OPERATIONS AND CHANGES TO FUND BALANCES**  
For the year ended June 30, 2020  
(Unaudited)

	Operating Fund	Capital Fund	Reserve Fund	Total 2020	Total 2019
<b>REVENUE</b>					
Fees and passes	\$126,760	-	-	\$126,760	\$118,229
Grants					
BC Gaming	22,500	-	-	22,500	22,500
Recreation, sites and trails	2,000	-	-	2,000	0
Wetzin'kwa	36,804	-	-	36,804	45,593
NDIT	30,000	-	-	30,000	
Other grants	2,900	-	-	2,900	4,587
	<u>94,204</u>	<u>-</u>	<u>-</u>	<u>94,204</u>	<u>72,680</u>
Other					
Fundraising	27,920	-	-	27,920	16,595
Sponsors	1,000	-	-	1,000	5,604
Rentals, sales, miscellaneous	10,503	-	-	10,503	5,909
	<u>39,423</u>	<u>-</u>	<u>-</u>	<u>39,423</u>	<u>28,109</u>
Total income	<u>260,386</u>	<u>-</u>	<u>-</u>	<u>260,386</u>	<u>219,017</u>
<b>EXPENSES</b>					
Fundraising costs	14,644	-	-	14,644	10,804
Wages and benefits	33,102	-	-	33,102	48,778
Major projects	34,145	-	-	34,145	99,966
Maintenance - machines, buildings, trails	48,400	-	-	48,400	55,547
Accounting	3,581	-	-	3,581	3,566
Ammunition, rifles, equipment	0	-	-	0	0
Events	5,665	-	-	5,665	6,360
Insurance	7,605	-	-	7,605	7,636
Utilities	6,930	-	-	6,930	6,987
Fuel	11,505	-	-	11,505	10,585
Waxes	768	-	-	768	4,095
Honorariums	5,257	-	-	5,257	3,900
Amortization	-	30,344	-	30,344	17,459
Other	17,367	-	-	17,367	18,056
Total Expenses	<u>188,970</u>	<u>30,344</u>	<u>-</u>	<u>219,313</u>	<u>293,740</u>
	0				
Excess (deficiency) of revenues over expenses	<u>71,417</u>	<u>(30,344)</u>	<u>0</u>		
<b>Fund transfers</b>					
From Funds to operating	26,900		(26,900)	-	-
To Funds from operating	(91,925)	65,695	26,230	-	-
	<u>(65,025)</u>	<u>65,695</u>	<u>(670)</u>		
Change in fund balances during year	6,392	35,351	(670)	41,073	(74,723)
Funds balance, beginning of year	0	682,113	116,360	798,473	873,196
Funds balance, end of period	<u>6,392</u>	<u>717,464</u>	<u>115,690</u>	<u>839,546</u>	<u>798,473</u>

**BULKLEY VALLEY CROSS COUNTRY SKI CLUB**  
**STATEMENT OF RESERVE FUNDS AND CHANGES TO RESERVE FUND BALANCES**  
For the year ended June 30, 2020  
(Unaudited)

Fund:	Aux			Tracksetter	Infra-structure	NSDP	Nationals Travel	Biathlon	Memorial	Total 2020	2019
	Skid-Steer (Restricted)	Tracksetter (Restricted)	PB Garage (Restricted)								
<b>Balance beginning of FY2020</b>											
see Balance Sheet as of June 30	21,000	0	0	29,034	36,040	23,902	0	6,132	251	116,360	173,624
<b>Contributions to Reserves</b>											
From operating fund		11,000	11,330				2,300	1,600		26,230	45774.56
<b>Disbursements from reserves</b>											
To operating fund	(21,000)							(5,900)		(26,900)	(103,038)
<b>Transfer between reserve funds</b>			29,034	(29,034)						0	0
<b>Balance end of year</b>	<b>0</b>	<b>11,000</b>	<b>40,364</b>	<b>0</b>	<b>36,040</b>	<b>23,902</b>	<b>2,300</b>	<b>1,832</b>	<b>251</b>	<b>115,690</b>	<b>116,360</b>
Notes	1	2	3	4	5	6	7	8	9		

Notes

- 1: Skid-steer reserve is restricted by 2019Apr29 Board decision for the purpose of buying a Skid-steer machine plus attachments in fiscal year 2020. Purchased in FY2020
- 2: Auxiliary Tracksetter is a restricted fund created by Board decision 2020Apr27 for the purpose of purchasing an auxiliary tracksetter during FY2021..
- 3: PB Garage reserve fund created from 2020Apr27 reallocation of tracksetter fund and increased by 11,330 from club surplus at end of FY2020.  
Board decision 2020Jul19 formalized \$40,000 as a restricted fund "for costs of construction by the end of 2022 of a building to store and maintain our PistenBully and other tracksetters."
- 4: Tracksetter reserve was originally saving for replacement. In FY2019 it became contingency for major repairs. Board decision on 2020Apr27: reallocate balance to PB Garage reserve and expand purpose of Infrastructure reserve to include tracksetter major repairs.
- 5: Infrastructure reserve is a contingency fund for major repairs or additions to buildings, tracksetting equipment and other infrastructure. Purpose expanded by Board 2020Apr27.
- 6: NSDP Reserve is an unrestricted reserve created for NSDP funding stability.
- 7: Nationals Travel fund is a reserve created from fundraising efforts for athletes travelling to National competitions.
- 8: Biathlon reserve (unrestricted), is fundraising and surplus being saved for future biathlon projects.
- 9: Memorial is a reserve fund to track money donated in memory of Einar Blix (bank account #502). The intended use would be towards construction of a shelter at the end of Valley View trail.

**BULKLEY VALLEY CROSS COUNTRY SKI CLUB  
SCHEDULE OF PROPERTY AND EQUIPMENT**

For the year ended June 30, 2020

(Unaudited)

**Schedule 1**

	2020	2019
<b>Property and Equipment:</b>		
Land:		
Licence of Occupation # 635826, 7.15 Hectares 30 year term commencing March 2,2009	\$ -	-
Ski Trails:		
52 km, located west of Smithers, BC, accessed by Hudson Bay Mountain Rd, governed by a Recreation Sites and Trails BC partnership agreement, 10 year term commencing Nov 21, 2014	-	-
Buildings: (not amortized)		
Day Lodge, 1994	361,202	361,202
Caretaker Cabin, 2004	50,055	50,055
Waxing Hut 2008	42,332	42,332
Biathlon Cabin 2012	30,067	30,067
Machine Shed, 1988 and 1993	20,000	20,000
	<u>503,656</u>	<u>503,656</u>
Mobile Equipment: (20% amortization)		
Piston Bully Tracksetter, 2004 model, purchased 2012	132,275	132,275
Snowmobiles	27,599	27,599
Skid Steer, purchased 2020	65,695	
Tractor, disposed 2020		23,985
Other	1,200	1,200
	<u>226,769</u>	<u>185,059</u>
Less: Accumulated amortization	<u>(142,092)</u>	<u>(141,687)</u>
	<u>84,678</u>	<u>43,372</u>
Trail Lighting, 5.5 km (10% amortization)		
Licence of Occupation # 635827, 7.15 Hectares 106 lamp poles with buried cable	150,000	150,000
Less: Accumulated amortization	<u>(99,635)</u>	<u>(94,039)</u>
	<u>50,365</u>	<u>55,961</u>
Biathlon Range: (10% amortizaation)		
	62,000	62,000
Less: Accumulated amortization	<u>(58,771)</u>	<u>(58,413)</u>
	<u>3,229</u>	<u>3,587</u>
Leasehold access:(not amortized)		
Hudson Bay Mtn Rd underpass, contribution 2013	<u>75,537</u>	<u>75,537</u>
Total Net Book Value	<u>\$717,464</u>	<u>\$682,113</u>

**BULKLEY VALLEY CROSSCOUNTRY SKI CLUB**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended June 30, 2020

The format of these financial statements and most of these notes are replicated from the Financial Reviews (unaudited) for Fiscal Year 2016 and Fiscal Year 2017 completed by Edmison Mehr Chartered Professional Accountants. Those financial reviews assisted the club in improving its financial reporting. The club credits Edmison Mehr for the form of the report but clarifies that Edmison Mehr was not engaged for any aspect of the preparation of these Financial Statements for Fiscal Year 2020.

**1. Incorporation**

The Bulkley Valley Cross Country Ski Club was incorporated February 16, 1984 under the Society Act in the Province of British Columbia and assigned registration number S0018903. The Club has completed the transition to the new BC Societies Act.

**2. Purposes**

The purposes of the Society are to promote community participation in the healthy outdoor lifestyle of cross-country skiing in the Bulkley Valley.

**3. Significant Accounting Policies**

**Fund Accounting**

*The Operating Fund* accounts for the Club's program delivery and administration activities.

*The Capital Fund* reports the assets, liabilities, equity, capital revenues and expenses related to the Club's ownership of capital assets. Capital additions are recorded as assets when purchased.

*The Reserve Fund* reports the assets, liabilities, equity, revenues and expenses related to the Club's reserves which have been internally reserved for asset acquisition, replacement, significant maintenance and other specific activities.

**Cash**

Cash consists of cash and cash equivalents that are defined as highly - liquid investments with maturities of three months or less at the acquisition date.

**Capital Assets**

Capital assets are recorded at cost, with no provision for the contribution of volunteered and donated time and labour.

The ski trails, staging area, roads and parking lots have not been capitalized.

Amortization has not been recorded for buildings unless there is an indication that the building fair value is less than its original cost. Amortization has been recorded on all equipment on the declining balance basis, each at the following rates:

Mobile equipment	20%
Trail lighting	10%
Biathlon range and targets	10%

## Grants

Grants have been recorded as revenue in the operating fund.

## Revenue Recognition

Restricted contributions related to expenses for future periods are deferred and are recognized as revenue in the same period or periods as the related expenses are recognized. 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.

## Reserve Funds

The purpose of reserve funds and any restrictions are noted in the Statement of Reserve Funds and Changes to Reserve Fund Balances.

## Donated Materials and Services

It is the Club's policy not to record the value of donated materials and services.

## 4. Financial Instruments - Risk Management

The Club is not subject to significant risk from market, price, credit, fair value, foreign currency, interest rate or liquidity. The Club has limited its exposure to credit loss by placing its cash with a major Canadian financial institution.

The Club has managed its liquidity risk by strict budgeting policies and internally restricting reserve funds for operating and capital expenditure.

## 5. Agreements and Contracts

- a) License of Occupation # 635826, file # 6408004, with the Province of BC  
This licence for a 30-year term commencing March 2, 2009, grants a Licence of Occupation of the Land for community outdoor recreation facility purposes (non - exclusive use and occupancy) on 7.15 hectares of land, as set out in the management plan.
- b) License of Occupation #635827, file # 6408005 with the Province of BC  
This licence for a 30-year term, commencing March 2, 2009, grants a Licence of Occupation of the Land, for the installation and maintenance of the lit trail infrastructure.
- c) Partnership Agreement # PA14DSS-04  
This Partnership Services Agreement recognizes that the Province owns the land and the Club has the required skills and agrees to undertake the management and maintenance to provide conditions which are conducive to enhancing public recreation and/or conservation activities, The Club agrees to provide all services without financial remuneration from the Province. This agreement is with the BC Ministry of Forests, Land, and Natural Resources Operations, Recreation Sites and Trails BC. It is for a 10 year term commencing November 21, 2014. The agreement area is for the Bulkley Valley Nordic Centre located at km 8.1 on the Hudson Bay Mountain Rd. The agreement acknowledges the Wetzin'kwa Community Forest Corporation is a holder of a forest management tenure that includes the area of the Nordic Centre.
- a. Memorandum of Understanding with the Wetzin'kwa Community Forest Corporation, dated April 14, 2009.  
This agreement is to be reviewed and adjusted as required.  
The Wetzin'kwa Community Forest Corporation was granted a Community Forest

Agreement (License # K2P) in 2007. The license initially had an allowable annual cut of 30,000 m<sup>3</sup>. The tenure is jointly held by the Town of Smithers and the Village of Telkwa. The agreement area is comprised of two distinct zones, the "Recreation Emphasis Zone", and the "Timber Management Emphasis Zone". In the first zone, timber harvesting will be considered subordinate to the recreation interests, and in the second zone, timber harvesting will be considered the primary emphasis. This 2009 M.O.U. does not address revenue sharing. Recent logging was largely at the Club's request to address the dangerous trees from aging beetle kill.

d) **Overlap Areas with Other Recreation Users**

Other recreation users have interest within the area for hiking, naturalist and forest demonstration purposes or mountain biking. Within any overlap areas, the Bulkley Valley Cross Country Ski Club has primary responsibility for ski trails and other user groups may have responsibility as set out in their agreements with Recreation Sites and Trails BC. Bulkley Valley Cross Country Ski Club will work with Recreation Sites and Trails BC and groups with partnership agreements in the area to collaborate on any overlapping trails to ensure the management obligations for the trails are consistent.

## 6. Club History

Cross country skiing in the Bulkley Valley has roots back to the 1920s. By 1970 there were clubs based in Telkwa, Driftwood and Smithers. By the late 70s they amalgamated to form the Bulkley Valley Cross Country Ski Club. Gary and Liz Murdoch initialized a "Jack Rabbit" ski program at Tyhee Lake. Then Gary Murdoch and Esther Bain established a racing program. The club decided that the Smithers Community Forest provided a perfect opportunity to develop a more challenging array of trails with more dependable snow conditions, and in the early 1980s club members developed ski trails along Pine Creek. On February 16, 1984 the club incorporated a formal Society.

In the early 1990s, the club commenced the more complex Chris Dahlie trail network. The biathlon range was built in time for the BC Winter Games in 1994. A new day lodge was constructed during 1993-1994, assisted by a significant donation from relatives of the Buchfink family who were tragically killed in 1994 in a helicopter crash. In 1996 electrical power was generously extended to the BV Nordic Centre by BC Hydro and its employees at a nominal cost to the society for materials. In 1997 lighting was installed on the 2.5 km loop and parking lot and then in 2005 extended to the Perimeter Trail for a total of 5 km of lit track. In 2004, a caretaker cabin was constructed. The Gary Murdoch waxing hut and toilets for the lodge were built in 2008. In 2012, a new Biathlon cabin was built.

The cross country ski trail network has now expanded to 52 km of which 5 km is lit and 10 km is dog-friendly.

## 7. Club Membership

The number of registered members for the last six years is: 568 in 2014-15, 597 in 2015-16, 533 in 2016-17, 556 in 2017-18, 618 in 2018-19 and 715 in 2019-20

It is to be acknowledged that the majority of the labour required to maintain and improve the facility is provided by club and community volunteers.