

**BLACK JACK CROSS-COUNTRY SKI CLUB SOCIETY**

FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2011

**BLACK JACK CROSS-COUNTRY SKI CLUB SOCIETY****STATEMENT OF FINANCIAL POSITION (Unaudited)**

For Fiscal Year Ended September 30, 2011

	<u>2011</u>	2010	2009
<b>ASSETS</b>			
<b>Current</b>			
Cash and Term Deposits	<b>\$86,299</b>	\$163,760	\$65,439
Accounts Receivable	<b>3,000</b>		
Prepays	<b>100</b>	8,400	-
GST Receivable	<b>209</b>	11,946	-
	<b>89,608</b>	184,106	65,439
<b>Capital Assets</b> (see Note 3)	<b>472,917</b>	485,742	362,960
	<b>\$562,525</b>	\$669,848	\$428,399
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts Payable	\$ -	\$92,387	\$ -
GST Payable	-	-	2,149
	-	92,387	2,149
<b>Long Term</b>			
Mortgage (see Note 4)	-	42,507	46,920
<b>NET ASSETS</b>	<b>562,525</b>	534,954	379,330
	<b>\$562,525</b>	\$669,848	\$428,399

Approved on behalf of the Board

\_\_\_\_\_  
President\_\_\_\_\_  
Treasurer

**BLACK JACK CROSS-COUNTRY SKI CLUB SOCIETY****STATEMENT OF INCOME AND EXPENSES (Unaudited)**

For Fiscal Year Ended September 30, 2011

	2011	2010	2009
<b>INCOME</b>			
Fees			
Season pass	\$68,085	\$61,410	\$53,040
Day ticket	14,737	15,936	14,059
Ski program (Racers/Rabbits)	13,443	9,675	13,066
Race entry fees	14,816	4,008	2,077
Lifetime member	952	3,810	-
Initiation fees	2,098	1,762	2,048
Grooming service	-	1,638	1,800
Other	100	5,143	5,550
Fundraising Events	7,556	7,335	5,901
Donations (see Note 5)			
Skier Development	73,779	125,840	40,812
Big Cat Kitty	86,125	17,054	-
Other	8,145	1,278	5,636
Grants			
Gaming	9,375	10,338	9,125
Other	-	5,000	44,005
Interest	205	618	1,076
Sale of Capital	-	-	9,701
Log Sales	-	59,099	-
<b>TOTAL INCOME</b>	<b>\$299,416</b>	<b>\$329,944</b>	<b>\$207,896</b>
<b>EXPENSES</b>			
Grooming	41,614	27,890	26,433
Membership	8,864	7,987	6,931
Kiosk	7,325	5,698	4,218
Land Use	3,941	4,790	5,290
Insurance	4,179	4,195	3,252
Administration	2,103	2,416	702
Utilities	2,085	1,955	1,843
Communication	1,880	1,828	2,417
Races	14,244	1,188	19,773
Fundraising costs	455	438	491
Facilities maintenance	302	350	722
Trail maintenance	3,109	-	-
Prior period adjustment	-	-	1,003
Skier development costs	108,152	79,798	76,518
Special events & projects	1,233	-	28,504
<b>TOTAL EXPENSES</b>	<b>\$199,486</b>	<b>\$138,533</b>	<b>\$178,097</b>
<b>NET INCOME BEFORE DEPRECIATION</b>	<b>\$99,930</b>	<b>\$191,411</b>	<b>\$29,799</b>
Depreciation	72,360	35,787	33,367
<b>NET INCOME FOR THE YEAR</b>	<b>\$27,570</b>	<b>\$155,624</b>	<b>(\$3,568)</b>

**BLACK JACK CROSS-COUNTRY SKI CLUB SOCIETY****STATEMENT OF CASH FLOW** (Unaudited)

For Fiscal Year Ended September 30, 2011

	<b>2011</b>	2010	2009
<b>OPERATING ACTIVITIES</b>			
Net Income	<b>\$27,570</b>	\$155,624	(\$3,568)
Add back: non cash item depreciation	<b>72,360</b>	35,787	33,367
	<b>99,930</b>	191,411	29,799
<b>Working Capital Items</b>			
Increase/(decrease) in GST owing	<b>11,737</b>	(14,095)	748
(Decrease)/increase in accounts payable	<b>(92,386)</b>	92,387	-
(Increase) in accounts receivable	<b>(3,000)</b>	-	-
Decrease/(increase) in amounts prepaid	<b>8,300</b>	(8,400)	-
	<b>(75,349)</b>	69,892	748
<b>Financing Items</b>			
Purchase of capital assets (see Note 3)	<b>(59,535)</b>	(158,569)	(28,325)
Mortgage repayment (see Note 4)	<b>(42,507)</b>	(4,413)	(4,477)
	<b>(102,042)</b>	(162,982)	(32,802)
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(\$77,461)</b>	\$98,321	(\$2,254)
<b>OPENING CASH POSITION</b>	<b>\$163,760</b>	\$65,439	\$67,693
<b>CLOSING CASH POSITION</b>	<b>\$86,299</b>	\$163,760	\$65,439

## BLACK JACK CROSS-COUNTRY SKI CLUB SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

For Fiscal Year Ended September 30, 2011

#### 1. GENERAL

Black Jack Cross Country Ski Club Society ("Black Jack") is incorporated under the Society's Act of British Columbia and is engaged in the operation of a cross-country ski trail system and in the development of the sport of cross-country skiing in the Rossland area. The mission of the club is "to build a community of Nordic Skiers by providing and sustaining excellence in programs and services". Under Section 149 of the Income Tax Act (Canada), Black Jack is exempt from income tax.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basis of measurement and the disclosure in these financial statements are not necessarily in accordance with Canadian generally accepted accounting principles.

The following is a summary of the significant accounting policies used by Black Jack in the preparation of these financial statements

##### Contributed Services

Volunteer services contributed on behalf of Black Jack in carrying out its operating activities are not recognized in these financial statements due to the difficulty in determining their value.

##### Capital Assets

Capital assets purchased are recorded on the balance sheet at their historical cost less accumulated depreciation. Capital assets are depreciated over their estimated useful lives using the following methods and rates.

	<u>Method</u>	<u>Rate</u>
Permanent Buildings	Declining Balance	4%
Shelters, Cabins & Sheds	Declining Balance	10%
Machinery, Tools & Office Furniture	Declining Balance	20%
Club Van & Trailer	Declining Balance	30%
Parking Lots, Roads & Trails	Declining Balance	8%
Computer Equipment & Software	Declining Balance	45%
Land	Not Applicable	-

##### Government and Other Grants

Government and other grants related to assets are deducted in calculating the carrying value of the asset and the grant is recognized in the income statement over the life of the asset as a reduced depreciation charge.

Government and other grants related to income are recognized as income in the statements of income and expense.

### 3. CAPITAL ASSETS

#### A. Capital Additions

The following capital assets were added during the year ended September 30, 2011:

	<u>Purchase Cost (\$)</u>
Club van & trailer	\$50,221
Stadium improvements net of CBT grant (see note C below)	1,745
Timing equipment & training software	7,569
	<u>\$59,535</u>

#### B. Net Book Value

	Purchase Cost	Accumulated Depreciation	Net Book Value Sept 30, 2011	Net Book Value Sept 30, 2010
Permanent Buildings	\$ -	\$ -	\$ -	\$ -
Shelters, Cabins & Sheds	192,063	115,509	76,554	85,060
Machinery, Tools & Office Furniture	236,424	109,619	126,805	158,506
Van & Trailer	50,221	15,066	35,155	-
Parking Lots, Roads & Trails	272,798	121,328	151,470	163,407
Computer Equipment & Software	7,569	3,406	4,163	-
Land	78,770	-	78,770	78,770
<b>Total</b>	<b>\$837,845</b>	<b>\$364,928</b>	<b>\$472,917</b>	<b>\$485,742</b>

#### C. Trail Improvements and Stadium Upgrade

During the year ended September 30, 2011 Black Jack was again successful in receiving a grant that has been (and continues to be) used to improve the trails and upgrade the stadium area. As at September 30, 2011 an interim payment of \$3,000 had been received from the Regional District of Kootenay Boundary and a further \$8,138 was received subsequent to year end. All work was finished prior to the start of the 2011/2012 winter season.

### 4. MORTGAGE

During the year ended September 30, 2011 Black Jack paid down the entire mortgage outstanding on its land. Total payments applied to the principal of the loan during the year totalled \$42,507, with an additional \$1,620 paid during the year in interest costs. No further financial obligations relating to the mortgage exist with respect to this land.

## **5. DONATIONS**

### **Skier Development Donations**

During the year ended September 30, 2011 the skier development program received donations totalling \$73,779 to fund the purchase of a club van and trailer and also to help support their program costs including the cost of coaching staff and other skier development costs.

### **Other Donations**

Donations totalling \$86,125 relate to successful fundraising for the new grooming cat. All funds were received in the fall of 2010. Major donations and grants were received from Southern Interior Development Initiative Trust, Teck, Rossland Credit Union and Regional District of Kootenay Boundary as well as numerous donations from members, local small businesses and societies. The new grooming cat was in service for the 2010/2011 winter season and significant improvements in grooming quality were noted by members.