

BULKLEY VALLEY CROSS COUNTRY SKI CLUB
STATEMENT OF FINANCIAL POSITION
For the fiscal year ended June 30, 2023
(Unaudited)

	2023	2022	2021
CURRENT ASSETS			
Cash	198,614	77,327	183,232
Term Deposits	23,598	58,803	58,410
	<u>222,213</u>	<u>136,130</u>	<u>241,642</u>
CAPITAL ASSETS, Note 4			
Property and equipment, amortized	962,446	901,064	799,955
TOTAL ASSETS	<u><u>1,184,658</u></u>	<u><u>1,037,194</u></u>	<u><u>1,041,597</u></u>
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	4,865	17,234	724
Payroll related payables	163	1,395	166
GST Owing (negative = refund)	-	292	-
Deferred revenue, BC Gaming, Other	37,900	1,086	1,248
	<u>42,636</u>	<u>17,543</u>	<u>22,142</u>
EQUITY			
Operating Surplus - Prior Year	8,929	8,678	7,666
Operating Surplus - Current Year	-	1,292	-
Cumulative Operating Surplus	<u>7,637</u>	<u>8,929</u>	<u>8,678</u>
Equity in Capital Assets, Note 5	962,446	897,069	799,955
Reserves	171,939.87	113,654	210,822
	<u>1,142,023</u>	<u>1,019,652</u>	<u>1,019,455</u>
LIABILITIES AND EQUITY	<u><u>1,184,659</u></u>	<u><u>1,037,195</u></u>	<u><u>1,041,597</u></u>

Prepared March 4, 2024 by:



BULKLEY VALLEY CROSS COUNTRY SKI CLUB
STATEMENT OF OPERATIONS
For the fiscal year ended June 30, 2023
(Unaudited)

REVENUE	2023	2022	2021
Fees, Nordic Centre	168,836	142,756	138,875
Fees, Membership	14,390	14,898	13,447
Fees, Events	10,723	9,787	3,040
Fees, Nordic Skills Development Program	52,467	43,328	21,375
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	246,415	210,769	176,737
Grants and Sponsorship, Operating	63,690	89,100	51,537
Fundraising	28,663	34,269	37,371
Miscellaneous	6,464	2,027	9,566
Transfer from reserves	7,321	6,935	
Transfer from Capital (surplus)	1,185		
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	353,740	343,100	275,211
EXPENSES			
Wages and benefits	94,474	125,562	48,803
Staff and volunteer support	17,915	12,080	21,585
Building operations	25,404	18,813	19,673
Equipment operations	61,335	77,418	43,935
Events	9,924	5,718	1,672
General and administrative	30,659	21,412	19,696
Trails and area maintenance	14,244	28,325	7,459
Nordic Skills Development Program	24,517	19,530	1,249
Transfers to Reserves	72,953	33,991	110,127
Transfers to Capital	3,607		
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	355,031	342,849	274,199
EXCESS OF REVENUES OVER EXPENSES FOR THE YEAR	-	1,292	251
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CAPITAL EXPENDITURES			
Garage, tracksetter	66,090	128,219	58,390
Equipment purchases	17,124	-	41,401
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	83,214	128,219	99,791
CAPITAL FUNDING			
Grants and sponsorship, capital	76,500		80,000
Sale of capital equipment	2,000		
Transfer from operations	2,422		
Transfer from reserves	31,274	128,219	19,791
Transfer to reserves	-	28,982	
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	83,214	128,219	99,791
CURRENT YEAR OPERATING SURPLUS	-	1,292	251
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BULKLEY VALLEY CROSS COUNTRY SKI CLUB
STATEMENT OF RESERVES AND CHANGES TO RESERVE FUND BALANCES
For the fiscal year ended June 30, 2023
(Unaudited)

Reserve Fund:	PB Garage	National	Memorial	Tracksetter	Infra-structure	Nordic Centre	NSDP	Biathlon	Events	Total
Balance July 1, 2022	27,072	40	251	0	19,637	20,000	37,902	4,633	4,118	113,654
Contributions to Reserves										
From current year operations				46,190	9,964		10,000	3,000	3,799	72,953
From garage funding surplus				18,982	10,000					28,982
Disbursements from reserves										
To operations funding		(40)			(4,321)				(4,019)	(8,380)
To capital funding	(27,072)							(4,202)		(31,274)
Transfer between reserve funds					20,000	(20,000)				0
Adjust per final 2023 balance					(3,995)					(3,995)
Balance end of year	closed	closed	251	65,172	51,285	closed	47,902	3,431	3,898	171,940
<i>Comments</i>	1	2	3	4	5	6	7	8	9	

Comments

- 1: Garage project completed. Reserve no longer needed.
- 2: Nationals Travel restricted reserve had residual fundraising money. Reserve no longer needed.
- 3: Memorial restricted reserve to track money donated in memory of Einar Blix (remaining in bank account #502).
- 4: Tracksetter restricted reserve is savings toward tracksetter replacement. 2023 contributions: \$21,190 fundraiser + \$15k NC operations + \$10k NSDP + \$18982.20 garage surplus*
(*When board committed FY2022 surplus for garage completion, it was understood that any surplus would go tracksetter reserve.)
- 5: Infrastructure contingency reserve is for major repairs or additions to buildings, machines or other infrastructure. \$9964 from NSDP, \$10k garage surplus. \$4321 disbursed to NC.
- 6: Nordic Centre contingency reserve has been moved into the Infrastructure reserve.
- 7: NSDP contingency reserve created for NSDP funding stability.
- 8: Biathlon contingency reserve holds fundraising and surplus being saved for future biathlon projects.
- 9: Events contingency reserve is program surplus being saved for future event expenses.

BULKLEY VALLEY CROSS COUNTRY SKI CLUB

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended June 30, 2023
(Unaudited)

1. PURPOSE

The purpose of the Society is to promote community participation in the healthy outdoor lifestyle of cross country skiing in the Bulkley Valley.

The Bulkley Valley Cross Country Ski Club was incorporated under the Society Act (British Columbia) on February 16, 1984 and assigned registration number S0018903.

2. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the financial information is the historical cost basis, reflecting cash transactions with the addition of:

- Term deposits
- Accounts receivable
- Tangible Capital Assets
- Accounts payable and accrued liabilities
- Deferred Revenue

3. ACCOUNTING POLICIES

Term deposits are recorded at cost plus accrued interest.

Accounts receivable are accrued for amounts due to, but not yet received by the club as at the fiscal year end.

Tangible Capital Assets

Tangible capital asset purchases are recorded as a capital expense and the funding as a revenue in the statement of operations.

To recognize the asset investment by the Club the asset is recorded at cost with a corresponding increase in equity in tangible capital assets in the statement of financial position.

To recognize the reduction in the carried book value of the capital assets over time, the tangible capital assets are amortized on a systematic basis when considered appropriate by the club, with a corresponding decrease in the equity in capital assets.

Tangible 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, at the following annual rates:

Building	0%
Mobile Equipment	20%
Trails and lighting	10%
Biathlon Targets	10%

Accounts payable and accrued liabilities are accrued for amounts still owing to creditors for good and services provided to the club as at the fiscal year end.

Deferred revenue - 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.

Grants and Sponsorships

Grants and sponsorships have been segregated between operating revenues and capital funding based on their specific terms and conditions.

External recoveries and other revenues (donations, fundraising, interest and memberships) are invoiced when services are rendered and are recorded on an accrual basis in the period to which they relate.

External restrictions are determined by third parties (government or funding entities), internal restrictions are determined by the board and unrestricted net assets have no restrictions.

Donated Materials and Services

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

Reserves

The Society has managed its cash flow requirements by internally restricting reserve funds for operating and capital purposes.

4. TANGIBLE CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2023</u>	<u>Net 2022</u>
Buildings	\$756,355	\$0	\$756,355	\$690,265
Mobile Equipment	259,455	184,414	75,041	86,975
Trails and lighting	225,537	109,205	116,332	120,865
Biathlon targets & rifles	68,080	59,994	8,136	2,960
IT assets	<u>7,314</u>	<u>731</u>	<u>6,583</u>	<u>0</u>
Total Capital Assets	\$1,316,741	\$354,344	\$962,447	\$901,065

5. EQUITY IN TANGIBLE CAPITAL ASSETS

	<u>2023</u>	<u>2022</u>
Balance beginning of year	\$901,064	\$799,995
Purchase of tangible capital assets	70,879	128,219
Amortization	<u>(9,496)</u>	<u>(27,110)</u>
Balance end of year	\$962,447	\$901,064

6. 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.

- d) Memorandum of Understanding with the Wetzin'kwa Community Forest Corporation, dated April 14, 2009.

This agreement is to be reviewed on an annual basis 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 annual allowable cut of 30,000 m³. 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.

- e) Overlap Areas with Other Recreation Users

Smithers Community Forest Society has an interest within the area for hiking, naturalist and forest demonstration purposes as set out in a separate MOU. Within any overlap areas, the Bulkley Valley Cross Country Ski Club has primary responsibility for ski trails and the Smithers Community Forest Society has primary responsibility for other designated trails. The two Societies will collaborate on overlapping trails to ensure the management obligations for the trails are consistent.

7. 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. In 2021-2022 a new track setter garage was constructed.

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

8. Club Membership

The number of registered members has increased significantly in recent years. (see graph below)

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

