

**Avalanche Canada Foundation / Fondation Avalanche Canada**  
**Financial Statements**  
*June 30, 2024*

To the Directors of Avalanche Canada Foundation / Fondation Avalanche Canada:

### Opinion

We have audited the financial statements of Avalanche Canada Foundation / Fondation Avalanche Canada (the "Foundation"), which comprise the statement of financial position as at June 30, 2024, and the statements of operations and changes in net assets and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and supporting schedules.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at June 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.

### 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 are independent of the Foundation 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 opinion.

### 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation'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 Foundation'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 Foundation'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 Foundation 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.

Calgary, Alberta

October 9, 2024

*MNP LLP*

Chartered Professional Accountants

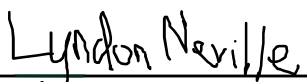
# Avalanche Canada Foundation / Fondation Avalanche Canada

## Statement of Financial Position

As at June 30, 2024

	Operating Fund	Government of Canada Agreement Fund	Province of British Columbia Fund	2024	2023
<b>Assets</b>					
<b>Current</b>					
Cash (Note 6)	129,557	-	-	129,557	934,246
Accounts receivable (Note 7)	41,637	-	-	41,637	22,799
Prepaid expenses	5,188	-	-	5,188	1,000
	176,382	-	-	176,382	958,045
<b>Loan receivable (Note 8)</b>	25,000	-	-	25,000	-
<b>Long term Investments (Note 9)</b>	712,310	19,573,200	7,441,888	27,727,398	29,767,247
	913,692	19,573,200	7,441,888	27,928,780	30,725,292
<b>Liabilities</b>					
<b>Current</b>					
Accounts payable and accrued liabilities	15,662	44,951	-	60,613	58,831
Deferred contributions (Note 10)	190,053	-	-	190,053	195,738
Deferred contributions related to funding agreements (Note 9)	-	19,528,249	7,441,888	26,970,137	29,729,545
Deferred fundraising revenue	-	-	-	-	610
	205,715	19,573,200	7,441,888	27,220,803	29,984,724
<b>Net Assets</b>					
Unrestricted net assets	707,977	-	-	707,977	740,568
	913,692	19,573,200	7,441,888	27,928,780	30,725,292

Approved on behalf of the Board

  
Director

  
Director

The accompanying notes are an integral part of these financial statements

# Avalanche Canada Foundation / Fondation Avalanche Canada

## Statement of Operations and Changes in Net Assets

*For the year ended June 30, 2024*

	<i>Operating Fund</i>	<i>Government of Canada Agreement Fund</i>	<i>Province of British Columbia Fund</i>	<b>2024</b>	<b>2023</b>
<b>Revenue</b>					
Interest and other income	20,234	2,403,824	1,000,000	3,424,058	3,383,715
Fundraising (Note 11)	119,122	-	-	119,122	57,840
Individual donations	54,123	-	-	54,123	71,623
Deferred contributions recognized (Note 10)	23,500	-	-	23,500	18,872
Corporate donations	19,156	-	-	19,156	634
	<b>236,135</b>	<b>2,403,824</b>	<b>1,000,000</b>	<b>3,639,959</b>	<b>3,532,684</b>
<b>Expenditures</b>					
Program and grant funding (Note 3), (Note 4), (Note 5)	98,500	2,330,000	1,000,000	3,428,500	3,318,872
Salaries and benefits	69,486	-	-	69,486	24,709
Bank charges and interest	738	63,324	-	64,062	61,236
Professional fees	23,650	10,500	-	34,150	32,773
Fundraising (Note 11)	44,457	-	-	44,457	20,179
Office	13,219	-	-	13,219	18,343
Travel	11,822	-	-	11,822	6,634
Insurance	6,854	-	-	6,854	10,807
	<b>268,726</b>	<b>2,403,824</b>	<b>1,000,000</b>	<b>3,672,550</b>	<b>3,493,553</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>(32,591)</b>	<b>-</b>	<b>-</b>	<b>(32,591)</b>	<b>39,131</b>
<b>Net assets, beginning of year</b>	<b>740,568</b>	<b>-</b>	<b>-</b>	<b>740,568</b>	<b>701,437</b>
<b>Net assets, end of year</b>	<b>707,977</b>	<b>-</b>	<b>-</b>	<b>707,977</b>	<b>740,568</b>

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

**Avalanche Canada Foundation / Fondation Avalanche Canada**  
**Statement of Cash Flows**  
*For the year ended June 30, 2024*

	<i>Operating Fund</i>	<i>Government of Canada Agreement Fund</i>	<i>Province of British Columbia Fund</i>	<b>2024</b>	<b>2023</b>
<b>Cash provided by (used for) the following activities</b>					
<b>Operating</b>					
Cash received from donations and fundraising	165,769	-	-	165,769	126,820
Cash receipts from investment income	20,234	282,766	49,700	352,700	401,043
Cash paid for program service expenses	(213,776)	(2,327,633)	(1,000,000)	(3,541,409)	(3,377,578)
Cash paid for salaries and benefits	(69,486)	-	-	(69,486)	(24,709)
Cash paid for interest and bank charges	(738)	(63,325)	-	(64,063)	(61,236)
<b>Excess of revenues over expenses</b>	<b>(97,997)</b>	<b>(2,108,192)</b>	<b>(950,300)</b>	<b>(3,156,489)</b>	<b>(2,935,660)</b>
<b>Investing</b>					
Purchase of long-term investments	(706,692)	(5,385,211)	(3,790)	(6,095,693)	(11,789,875)
Redemption of long-term investments	-	7,493,403	954,090	8,447,493	14,650,464
	<b>(706,692)</b>	<b>2,108,192</b>	<b>950,300</b>	<b>2,351,800</b>	<b>2,860,589</b>
<b>Decrease in cash resources</b>	<b>(804,689)</b>	<b>-</b>	<b>-</b>	<b>(804,689)</b>	<b>(75,071)</b>
<b>Cash resources, beginning of year</b>	<b>934,246</b>	<b>-</b>	<b>-</b>	<b>934,246</b>	<b>1,009,317</b>
<b>Cash resources, end of year</b>	<b>129,557</b>	<b>-</b>	<b>-</b>	<b>129,557</b>	<b>934,246</b>

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

# Avalanche Canada Foundation / Fondation Avalanche Canada

## Notes to the Financial Statements

For the year ended June 30, 2024

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### 1. Incorporation and nature of the organization

Avalanche Canada Foundation / Fondation Avalanche Canada (the "Foundation") was incorporated federally on May 28, 1999 and registered in British Columbia as Canadian Avalanche Foundation. It is a federally registered charity and is exempt from income taxes under Section p.149(1)(f) of the Income Tax Act of Canada ("the Act"). The Foundation changed its name to Avalanche Canada Foundation / Fondation Avalanche Canada on July 2, 2014.

The Foundation's purpose is to support Avalanche Canada financially in its ability to coordinate public avalanche safety programs, deliver public avalanche awareness and education programs, provide curriculum and support to instructors of recreational avalanche courses, promote avalanche research, and act as a central point of contact for avalanche information such as providing avalanche bulletins and special warnings for many of the mountainous regions of western Canada.

### 2. Significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

#### **Fund accounting**

The Foundation follows the restricted fund method of accounting for contributions:

The Operating Fund reports the assets, liabilities, revenue, and expenses to the ongoing fundraising and operating activities of the Foundation.

The Government of Canada Agreement Fund reports the assets, liabilities, revenue, and expenses related to the Government of Canada funding agreement as disclosed in Note 3.

The Province of British Columbia Fund reports the assets, liabilities, revenue, and expenses related to the Province of British Columbia funding agreement as disclosed in Note 4.

#### **Revenue recognition**

##### **i) Deferred contributions**

From time to time, the Foundation receives donations in memory of avalanche victims or for other designated purposes. The Foundation follows the deferral method of accounting for these restricted donations. Deferred contributions are recognized as revenue in the period in which the related expenditures are incurred, as detailed in Note 8.

##### **ii) Grants, general donations and fundraising revenue**

Unrestricted grants, general donations and fundraising revenue are recognized as revenue when received. However, fundraising revenue received for an event to be held after the year end is deferred along with the related costs for the event.

#### **Income taxes**

The Foundation is a charitable organization and as such is exempt from income tax pursuant to Section 149(1)(f) of the Income Tax Act of Canada ("the Act"). To maintain its status as a tax exempt entity under the Act, the Foundation must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

#### **Contributed goods and services**

Contributions of goods and services are recognized in the financial statements at the fair value of the items received. Volunteer time is not recorded due to the difficulty in determining the fair value.

#### **Cash**

Cash includes restricted and unrestricted cash on deposit. Restricted cash is held to fund donor directed projects as described in Note 3, Note 4 and Note 5. The Foundation maintains cash and cash equivalents at financial institutions which, periodically, may exceed federally insured amounts.

# Avalanche Canada Foundation / Fondation Avalanche Canada

## Notes to the Financial Statements

For the year ended June 30, 2024

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### 2. Significant accounting policies (Continued from previous page)

#### **Financial instruments**

The Foundation recognizes financial instruments when the Foundation becomes party to the contractual provisions of the financial instrument.

#### **Arm's length financial instruments**

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at fair value.

At initial recognition, the Foundation may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Foundation has not made such an election during the year.

The Foundation subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

#### **Related party financial instruments**

The Foundation measures financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

Financial instruments that were initially measured at cost are subsequently measured using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess (deficiency) of revenue over expenses.

#### **Investments**

Long-term investments are held in zero coupon bonds and are measured at amortized cost.

#### **Measurement uncertainty**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant items subject to such estimates and assumptions include accrued liabilities and the fair value of items contributed by way of donation. Actual results could differ from those reported.

The amounts recorded in these financial statements are based on the latest reliable information available to management at the time the financial statements were prepared where that information reflects conditions as at the date of the financial statements. However, there is inherent uncertainty about these assumptions and estimates which could result in outcomes that require adjustments to the carrying amount of the affected assets or liabilities in the future.

### 3. Operating grant funding

During the year, \$75,000 (2023 - \$nil) of funds were contributed to Avalanche Canada from the operating fund. Additionally, \$23,500 (2023 - \$18,872) was distributed to grant recipients from the Foundations memorial funds and other restricted funds, see Note 10 Deferred Contributions.



# Avalanche Canada Foundation / Fondation Avalanche Canada

## Notes to the Financial Statements

For the year ended June 30, 2024

### 4. Government of Canada Funding Agreement

In 2020, the Foundation entered into a tripartite agreement with His Majesty the King in Right of Canada, as represented by the Minister of Public Safety and Emergency Preparedness ("the Minister") and Avalanche Canada, whereby the Minister provided the Foundation with up-front multi-year funding for the purpose of enabling Avalanche Canada to meet the objectives of its business plan. The maximum amount of the grant furnished to the Foundation is \$25,000,000 which was received in full in the 2020 fiscal year. The Foundation is responsible for managing the funds that are granted and ensuring funds under the grant are used in accordance with the agreement. Earnings on investments related to the grant are to be made available to Avalanche Canada for the purposes of achieving the objectives and activities set out in its business plan.

During the year, \$2,330,000 (2023 - \$2,300,000) of funds were contributed to Avalanche Canada under the terms of the agreement.

### 5. Province of British Columbia Funding Agreement

In March of 2021, the Foundation entered into an agreement with His Majesty the King in Right of British Columbia, as represented by the Minister of Public Safety and Solicitor General ("the Province") whereby the Province provided the Foundation with up-front multi-year funding for the purpose of enabling Avalanche Canada to coordinate and provide public avalanche safety programs in the Province of British Columbia. The maximum amount of the grant furnished to the Foundation is \$10,000,000 which was received in full in April of 2021. The Foundation is responsible for managing the funds that are granted and ensuring funds under the grant are used in accordance with the agreement. Earnings on investments related to the grant are to be made available to Avalanche Canada for the purposes of achieving the objectives and activities set out in its business plan.

During the year, \$1,000,000 (2023 - \$1,000,000) of funds were contributed to Avalanche Canada under the terms of the agreement.

### 6. Cash and cash equivalents

	2024	2023
Cash	129,557	934,246

\$190,053 (2023 - \$195,738) of cash and operating fund long-term investments are funds restricted to contribution obligations as disclosed in Note 10.

### 7. Accounts receivable

	2024	2023
Accounts receivable	36,921	20,000
Goods and service tax recoverable	4,716	2,742
Interest receivable	-	57
	41,637	22,799

### 8. Loan receivable

The loan receivable is unsecured, non-interest bearing and due to the Foundation following the International Snow Science Workshop ("ISSW") event that is occurring in 2026. If the ISSW does not generate a net surplus once all accounts have been settled following the event, the funding will be provided from the ISSW Fund within deferred contributions (Note 10).

# Avalanche Canada Foundation / Fondation Avalanche Canada

## Notes to the Financial Statements

*For the year ended June 30, 2024*

### 9. Long-term investments

	2024	2023
Measured at amortized cost:		
PH&N Institutional Portfolio - Government of Canada (Schedule 1)	19,573,200	21,513,912
Guaranteed Investment Certificate bearing interest at 3.7% due June 16, 2026	5,820	5,618
Guaranteed Investment Certificate bearing interest at 4.5%, maturing April 15, 2025	706,490	-
PH&N Institutional Portfolio - Province of British Columbia (Schedule 2)	7,441,888	8,247,717
	<b>27,727,398</b>	<b>29,767,247</b>

A portion of the \$25,000,000 proceeds received from the Government of Canada, in the amount of \$2,330,000 (2023 - \$2,300,000) were used to fund Avalanche Canada's operations. Included is an amount of \$10,500 (2023 - \$10,000) that was transferred to operating fund net assets as a cost recovery for a portion of administrative expenditures of the operating fund. The PH&N Institutional Portfolio has a fair market value of \$18,663,915 (2023 - \$20,178,613).

A portion of the \$10,000,000 proceeds received from the Province of British Columbia, in the amount of \$1,000,000 (2023 - \$1,000,000) was used to fund Avalanche Canada's operations. The PH&N Institutional Portfolio has a fair market value of \$7,428,344 (2023 - \$7,933,898).

The above Guaranteed Investment Certificate of \$5,820 (2023 - \$5,618) is pledged as security for the Foundation's credit card.

### 10. Deferred contributions

Deferred contributions represent contributions that have been externally restricted as described below and are therefore not generally available to pay for operating expenses of the Foundation.

	2024	2023
Balance, beginning of year	195,738	206,385
Deferred contributions received	17,815	8,225
	<b>213,553</b>	<b>214,610</b>
Deferred contributions recognized as revenue	23,500	18,872
	<b>190,053</b>	<b>195,738</b>
<b>Deferred contributions consist of the following funds:</b>		
The International Snow Science Workshop Fund	129,948	135,948
The Craig Kelly Memorial Fund	6,892	6,311
The Hincks Memorial Fund	20,773	32,773
Cora Shea Memorial Fund	18,170	15,381
Al Hodgson Memorial Fund	8,799	5,325
Avalanche Canada School's Program	5,471	-
	<b>190,053</b>	<b>195,738</b>

During the year, \$25,000 related to the International Snow Science Workshop Fund have been loaned to the ISSW event as seeding funding (Note 8).

# Avalanche Canada Foundation / Fondation Avalanche Canada

## Notes to the Financial Statements

*For the year ended June 30, 2024*

### 11. Fundraising

	2024	2023
<b>Revenue</b>		
Online auction and raffle	84,373	48,922
Calgary Fundraiser	34,749	-
Step Into Spring	-	8,918
<b>Total fundraising revenue</b>	<b>119,122</b>	<b>57,840</b>
<b>Expenses</b>		
Online auction and raffle	28,336	19,898
Calgary Fundraiser	16,121	-
Step Into Spring	-	281
<b>Total fundraising expenses</b>	<b>44,457</b>	<b>20,179</b>
<b>Net fundraising revenue</b>	<b>74,665</b>	<b>37,661</b>

### 12. Financial instrument risk disclosure

The Foundation, as part of its operations, carries a number of financial instruments. It is management's opinion that the Foundation is not exposed to significant interest rate, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

#### **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 Foundation's long-term investments bear interest at a fixed rate, and are intended to be held to maturity. As such the interest rate risk the Foundation is exposed to is limited and is assessed as low.

#### **Market risk**

Market risk is the risk that changes in market prices and interest rates will affect the Foundation's fair values or future cash flows. These risks are generally outside the control of the Foundation. The objective of the Foundation is to mitigate market risk exposures within acceptable limits, while maximizing returns. The directors believe the exposure to market risk is limited, as such the risk is assessed as low.

**Avalanche Canada Foundation / Fondation Avalanche Canda**  
**Schedule 1 – Long-term Investments**  
*For the year ended June 30, 2024*

	<b>Book Cost</b>	<b>Amortization</b>	<b>Amortized Cost</b>
Province of BC Interest Strip Bond, maturing December 2028, discounted at .81321	2,663,263	313,186	<b>2,975,449</b>
Province of BC Interest Strip Bond, maturing June 2029, discounted at .80247	2,772,534	331,362	<b>3,103,896</b>
Province of BC Interest Strip Bond, maturing June 2030, discounted at .7806	1,366,050	168,934	<b>1,534,984</b>
Province of Ontario Generic Coupon Strip Bond, maturing June 2025, discounted at .88886	2,457,698	256,760	<b>2,714,458</b>
Province of Ontario Generic Coupon Strip Bond, maturing June 2026, discounted at .86705	2,536,121	275,791	<b>2,811,912</b>
Province of Ontario Generic Strip Residual Bond, maturing June 2027, discounted at .85155	2,648,321	284,417	<b>2,932,738</b>
Canadian Government Short Term Note, bearing 0.4% interest, maturing July 2024	2,519,754	-	<b>2,519,754</b>
Canadian Government Short Term Note, bearing 1.1% interest, maturing July 2024	959,165	-	<b>959,165</b>
Cash	19,844	-	<b>19,844</b>
	<b>17,942,750</b>	<b>1,630,450</b>	<b>19,573,200</b>

**Avalanche Canada Foundation / Fondation Avalanche Canda**  
**Schedule 2 – Long-term Investments**  
*For the year ended June 30, 2024*

	<b>Book Cost</b>	<b>Amortization</b>	<b>Amortized Cost</b>
Province of BC Interest Strip Bond, maturing June 2028, discounted at .84946	849,460	55,202	<b>904,662</b>
Province of BC Interest Strip Bond, maturing June 2027, discounted at .87600	876,000	54,129	<b>930,129</b>
Province of BC Interest Strip Bond, maturing June 2029, discounted at .82033	820,330	56,820	<b>877,150</b>
Province of BC Interest Strip Bond, maturing June 2030, discounted at .79107	791,070	58,082	<b>849,152</b>
Province of Ontario Generic Coupon Strip Bond, maturing June 2025, discounted at .92871	928,710	50,861	<b>979,571</b>
Province of Ontario Generic Coupon Strip Bond, maturing June 2026, discounted at .90393	903,930	52,305	<b>956,235</b>
Canadian Government Short Term Note, bearing 0.3% interest, maturing July 2024	995,950	-	<b>995,950</b>
Canadian Common Stocks	322,130	-	<b>322,130</b>
Non- N.A. Common Stocks	613,290	-	<b>613,290</b>
Cash	13,619	-	<b>13,619</b>
	<b>7,114,489</b>	<b>327,399</b>	<b>7,441,888</b>