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VIRTUAL HEIGHTS ACCOUNTING
*A Chartered Professional Accountant (CPA) firm

Compiled Financial Information

Nelson Nordic Ski Club
For the year ended 31 August 2026

Prepared by Virtual Heights Accounting

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Compilation Engagement Report

Nelson Nordic Ski Club
For the year ended 31 August 2026

To the Directors of Nelson Nordic Ski Club

On the basis of information provided by management, we have compiled the statement of financial position of Nelson Nordic Ski Club as at 31 August 2026 and the statements of changes in net assets and operations for the year then ended and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information.

Management is responsible for the accompanying financial information, including the accuracy and completeness of underlying information used to compile it, and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Virtual Heights Accounting

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Chartered Professional Accountant

Virtual Heights Accounting

Rossland, BC

Dated: 22 October 2026

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Approval of Financial Statements

Nelson Nordic Ski Club
For the year ended 31 August 2026

The Board of Directors are pleased to approve the financial statements of Nelson Nordic Ski Club for the year ended 31 August 2026 including the compilation engagement report and related disclosures.

APPROVED

For and on behalf of the Members,

Signed by:
Erik Leslie
BAF88EDA8AAE401...
10/22/2026 | 14:56:43 PDT
Date .....

Signed by:
Siomonn Pulla
73328B2211FC460...
10/22/2026 | 15:00:26 PDT
Date .....

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Statement of Financial Position

Nelson Nordic Ski Club
As at 31 August 2026

	31 AUG 2026	31 AUG 2025	NOTES
Assets			
Current Assets			
Cash	181,334	120,531	2
Term deposit	143,799	140,155	
Accounts receivable	317	1,378	
Prepaid expenses	2,803	2,513	
Total Current Assets	**328,253**	**264,577**	
Non-Current Assets			
Tangible capital assets (net)	349,159	395,812	3
Total Non-Current Assets	**349,159**	**395,812**	
Total Assets	**677,413**	**660,389**	
Liabilities and Net Assets			
Liabilities			
Current Liabilities			
Accounts payable	4,711	4,286	
Deferred revenue	15,652	43,952	4
Total Current Liabilities	**20,363**	**48,238**	
Non-Current Liabilities			
Deferred contributions related to tangible capital assets (net)	253,847	291,625	5
Total Non-Current Liabilities	**253,847**	**291,625**	
Total Liabilities	**274,211**	**339,864**	
Net Assets			
Unrestricted net assets	141,946	65,895	
Internally restricted net asset	165,944	150,444	6
Invested in tangible capital assets	95,312	104,187	
Total Net Assets	**403,202**	**320,525**	
Total Liabilities and Net Assets	**677,413**	**660,389**	

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Statement of Changes in Net Assets

Nelson Nordic Ski Club
For the year ended 31 August 2026

	2026	2025
Net Assets		
Opening net assets	320,525	278,397
Excess of revenue over expenditures	82,677	42,128
Closing net assets	**403,202**	**320,525**

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Statement of Operations

Nelson Nordic Ski Club
For the year ended 31 August 2026

	2026	2025
Revenue		
Operations		
Membership, including Cross Country BC Fees	181,016	171,277
Day pass	62,437	78,312
Programs	52,992	49,269
Total Operations	**296,445**	**298,859**
Other		
Grants, subsidies and other government assistance	73,778	42,152
Fundraising and donations	49,389	32,163
Amortization of deferred revenue for the purchase of tangible capital assets	37,778	37,920
Grooming services and rentals	8,505	12,445
Interest and rebates	3,673	4,228
Total Other	**173,123**	**128,907**
Total Revenue	**469,568**	**427,767**
Expenditures		
Advertising and promotions	4,361	3,844
Amortization	49,358	51,140
Bank charges and payment processing fees	1,803	2,021
Contractors	31,391	32,881
Event	3,154	3,713
Fuel	14,494	15,614
Insurance	10,532	9,782
Licences, dues and fees	22,936	23,524
Meals and entertainment	1,217	955
Office and program	7,787	6,020
Professional fees	15,877	13,118
Rent	3,989	3,843
Repairs and maintenance - facility and grooming	19,493	19,485
Repairs and maintenance - machine and equipment	6,402	12,473
Repairs and maintenance - trails	574	683
Supplies and small tools	13,732	8,651
Telephone and internet	2,011	2,575
Training	2,235	4,425
Travel	10,277	3,102
Utilities	3,696	3,439
Wages	161,571	164,351
Total Expenditures	**386,891**	**385,639**
Excess of Revenue over Expenditures	**82,677**	**42,128**

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Notes to the Financial Statements

Nelson Nordic Ski Club
For the year ended 31 August 2026

1. Basis of accounting

The basis of accounting applied in the preparation of the balance sheet of Nelson Nordic Ski Club as at 31 August 2026 and the income statement for the year then ended is on a historical cost basis, reflecting cash transactions with the addition of:

- accounts receivables
- tangible capital assets amortized over their useful life as disclosed in the related note
- accounts payable and accrued liabilities
- deferred revenue
- deferred revenue - tangible capital assets

2. Cash - Gaming funds

A gaming account is grouped with the cash balance. On August 31, 2026, there was $13,850 in the gaming account (FY2025: $NIL).

	2026	2025
3. Tangible capital assets (net)		
Bridges (net)		
Bridges, at cost	91,128	91,128
Accumulated amortization - Bridges (straight-line over 20 years)	(13,550)	(8,994)
Total Bridges (net)	**77,577**	**82,134**
Buildings (net)		
Garage (net)		
Garage, at cost	112,436	112,436
Accumulated amortization - Garage (straight-line over 20 years)	(13,870)	(8,248)
Total Garage (net)	**98,567**	**104,189**
Program shed (net)		
Program shed, at cost	19,074	19,074
Accumulated amortization - Program shed (straight-line over 20 years)	(6,199)	(5,245)
Total Program shed (net)	**12,875**	**13,829**
Total Buildings (net)	**111,442**	**118,017**
Equipment and machinery (net)		
Computer hardware (net)		
Computer hardware, at cost	670	670
Accumulated amortization - computer hardware (straight-line over 5 years)	(201)	(67)
Total Computer hardware (net)	**469**	**603**
Electric Snowmobile (net)		
Electric Snowmobile, at cost	24,602	24,602
Accumulated amortization - electric snowmobile (straight-line over 5 years)	(12,301)	(7,381)
Total Electric Snowmobile (net)	**12,301**	**17,222**
Furniture (net)		

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	2026	2025
Furniture, at cost	3,242	3,242
Accumulated amortization - Furniture (straight-line over 5 years)	(2,025)	(1,377)
Total Furniture (net)	**1,217**	**1,865**
PistenBully (net)		
PistenBully, at cost	308,340	308,340
Accumulated amortization - PistenBully (straight-line over 10 years)	(169,587)	(138,753)
Total PistenBully (net)	**138,753**	**169,587**
Prinoth Snow Cat (net)		
Prinoth Snow Cat, at cost	139,007	139,007
Accumulated amortization - Prinoth Snow Cat (straight-line over 10 years)	(139,007)	(139,007)
Total Prinoth Snow Cat (net)	-	-
Race clock (net)		
Race clock, at cost	2,408	2,408
Accumulated amortization - race clock (straight-line over 5 years)	(723)	(241)
Total Race clock (net)	**1,686**	**2,168**
Saws (net)		
Saws, at cost	2,706	-
Accumulated amortization - Saws (straight-line over 5 years)	(271)	-
Total Saws (net)	**2,435**	**-**
Security cameras (net)		
Security cameras, at cost	4,685	4,685
Accumulated amortization - security cameras (straight-line over 5 years)	(1,405)	(468)
Total Security cameras (net)	**3,279**	**4,216**
Sign (net)		
Signs, at cost	1,202	1,202
Accumulated amortization - Signs (straight-line over 5 years)	(1,202)	(1,202)
Total Sign (net)	-	-
Snowmobile Artic Cat (net)		
Snowmobile Artic Cat, at cost	14,982	14,982
Accumulated amortization - Snowmobile Artic Cat (straight-line over 3 years)	(14,982)	(14,982)
Total Snowmobile Artic Cat (net)	-	-
Tools (net)		
Tools, at cost	667	667
Accumulated amortization - Tools (straight-line over 5 years)	(667)	(667)
Total Tools (net)	-	-
Total Equipment and machinery (net)	**160,140**	**195,661**
Total Tangible capital assets (net)	**349,159**	**395,812**

Amortization is calculated on a straight-line basis based on the estimated useful life as stated above. The calculation is made using original cost less estimated salvage value. Only half of the amortization is taken in the year of purchase and no amortization is taken in the year of sale.

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Additional note on previous treatment of capital assets

The Organization previously expensed capital asset acquisitions under the small organization exemption available under Canadian accounting standards for not-for-profit organizations. Upon ceasing to qualify for this exemption, the Organization adopted capitalization and amortization prospectively.

Accordingly , the shop , shop addition and other capital assets acquired before this change are not recorded in the statement of financial position , as their costs were expensed in the year of acquisition . The date of this change in treatment is unknown . This disclosure has been added for additional clarification that there are older assets that are not listed.

4. Deferred revenue

Deferred revenue includes grants that have not yet been reported on and are for upcoming projects. The current year consists of the unspent grant balance of $15,652 for the Active Transport for Euphrates Project.

The prior year included the Active Transport Euphrates Project for $38,293 and a Columbia Basin Trust - Resident Directed grant of $5,659.

5. Deferred contributions related to tangible capital assets (net)

	2026	2025
Deferred contributions related to tangible capital assets	447,218	447,218
Accumulated amortization - Deferred contributions related to tangible capital assets	(193,371)	(155,593)
Total Deferred contributions related to tangible capital assets (net)	**253,847**	**291,625**

Amortization is calculated on a straight-line basis based on the estimated useful life of the tangible asset to which the contributions were received. Only half of the amortization is taken in the year of purchase and no amortization is taken in the year of sale.

6. Internally restricted net assets

The entity has passed board motions to move unrestricted funds of the entity to be used for the following projects.

	2026	2025
Internally restricted net assets		
Internally restricted - Trail expansion and maintenance	70,000	70,000
Internally restricted - Grooming machines repairs and purchases	61,864	61,864
Internally restricted - Apex staircase	15,000	-
Internally restricted - Trail maps and design	12,000	-
Internally restricted - Ski team expenses	4,680	4,680
Internally restricted - New website	2,400	2,400
Internally restricted - Legal fees for easement	-	1,500
Internally restricted - Statutory right of way survey	-	10,000
Total Internally restricted net assets	**165,944**	**150,444**

7. Remuneration to Directors, Employees and Contractors

No remuneration was paid to the directors of the Society during the year for director related activities. No remuneration amounting to greater than $75,000 was paid to any employee during the year.