

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

FINANCIAL STATEMENTS

December 31, 2013

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the Eagle Point - Blue Rapids Council

We have audited the accompanying financial statements of Eagle Point - Blue Rapids Parks Council, which comprise the statement of financial position as at December 31, 2013, the statement of revenues and expenditures and changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the society derives revenue from donated materials and services, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the society and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

Qualified Opinion

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the contributions referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of Eagle Point - Blue Rapids Parks Council as at December 31, 2013 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.

Drayton Valley, Alberta

March 5, 2014



CHARTERED ACCOUNTANTS

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL
Statement of Financial Position
December 31, 2013

	General Fund	Education & Outreach Fund	Tourism, Marketing & Economic Development Fund	Trails & Facility Fund	RADF Fund	December 31, 2013 Total	December 31, 2012 Total
ASSETS							
CURRENT							
Cash	\$ 53,777	\$ 19,082	\$ 7,257	\$ 62,439	\$ -	\$ 142,555	\$ 236,124
Temporary investments (Note 2)	25,000	-	-	-	-	25,000	-
Accounts receivable	-	4,070	-	-	-	4,070	64,481
Good and service taxes receivable	3,124	-	-	-	-	3,124	4,351
	81,901	23,152	7,257	62,439	-	174,749	304,956
EQUIPMENT (Note 3)							
	-	-	-	-	-	-	-
	\$ 81,901	\$ 23,152	\$ 7,257	\$ 62,439	\$ -	\$ 174,749	\$ 304,956
LIABILITIES AND NET ASSETS							
CURRENT LIABILITIES							
Accounts payable and accrued liabilities	3,357	-	-	-	-	3,357	2,917
Wages payable	4,309	-	-	-	-	4,309	4,296
	7,666	-	-	-	-	7,666	7,213
NET ASSETS							
External restrictions	-	-	7,257	17,906	-	25,163	48,527
Internal restrictions	-	23,152	-	44,533	-	67,685	176,548
Unrestricted	74,235	-	-	-	-	74,235	72,668
	74,235	23,152	7,257	62,439	-	167,083	297,743
	\$ 81,901	\$ 23,152	\$ 7,257	\$ 62,439	\$ -	\$ 174,749	\$ 304,956

APPROVED BY THE BOARD

Director

Director

The accompanying notes are an integral part of this statement

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL
Statement of Revenues and Expenditures and Changes in Net Assets
Year Ended December 31, 2013

	Tourism,									
	General	Education &	Marketing &	Trails &	RADF	2013	2012			
	Fund	Outreach	Economic	Facility	Fund	Total	Total			
		Fund	Development	Fund						
REVENUE										
Donated labor and services	\$ 95,607	\$ 53	\$ 20,572	\$ 19,454	\$ -	\$ 135,686	\$ 129,572			
Other cash donations	14	11,225	27,846	-	-	39,085	83,627			
Cash grants	-	20,070	3,105	37,526	50,998	111,699	81,629			
Municipal contributions - Brazeau County	-	-	-	-	-	-	61,500			
Donated material	100	439	-	52,412	-	52,951	48,007			
Municipal contributions - Town of Drayton Valley	-	-	20,000	-	-	20,000	20,750			
Interest	2,223	-	-	-	-	2,223	3,290			
	97,944	31,787	71,523	109,392	50,998	361,644	428,375			
EXPENSES										
Advertising and promotion	84	857	18,154	-	-	19,095	6,461			
Amortization	-	-	-	20,000	-	20,000	4,898			
GST expense	3,124	-	-	-	-	3,124	4,351			
In-kind expenses	95,707	492	20,572	51,866	-	168,637	177,579			
Insurance	3,199	-	-	-	-	3,199	1,576			
Office	-	-	-	-	-	-	1,968			
Professional fees	7,909	-	-	525	-	8,434	8,525			
Repairs and maintenance	-	-	711	21,307	-	22,018	-			
Salaries and wages	28,734	70,897	35,960	24,504	-	160,095	186,927			
Sub-contracts	844	-	1,360	29,256	-	31,460	138,955			
Supplies	588	4,798	2,197	38,206	-	45,789	15,805			
Telephone	4,406	173	554	351	-	5,484	5,378			
Training	2,480	295	-	-	-	2,775	2,388			
Travel	300	127	143	1,624	-	2,194	968			
	147,375	77,639	79,651	187,639	-	492,304	555,779			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(49,431)	(45,852)	(8,128)	(78,247)	50,998	(130,660)	(127,404)			
INTERFUND TRANSFER	50,998	-	-	-	(50,998)	-	-			
NET ASSETS, BEGINNING OF YEAR	72,668	69,004	15,385	140,886	-	297,743	425,147			
NET ASSETS, END OF YEAR	\$ 74,235	\$ 23,152	\$ 7,257	\$ 62,439	\$ -	\$ 167,083	\$ 297,743			

The accompanying notes are an integral part of this statement

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Statement of Cash Flow

Year Ended December 31, 2013

	General Fund	Education & Outreach Fund	Tourism, Marketing & Economic Development Fund	Trails & Facility Fund	RADF Fund	2013 Total	2012 Total
SOURCES OF CASH							
Government funding	\$ -	\$ 10,000	\$ 23,855	\$ 37,526	\$ 114,729	\$ 186,110	\$ 99,398
Other cash donations	14	17,225	27,846	-	-	45,085	83,627
GST refund	4,351	-	-	-	-	4,351	2,500
Interest	2,223	-	-	-	-	2,223	3,290
	6,588	27,225	51,701	37,526	114,729	237,769	188,815
USES OF CASH							
Salaries and benefits	(28,721)	(70,897)	(35,960)	(24,504)	-	(160,082)	(187,150)
Materials and services	(19,370)	(6,250)	(23,119)	(91,269)	-	(140,008)	(179,500)
Good and service taxes paid	(6,248)	-	-	-	-	(6,248)	(8,703)
Investment purchase	(25,000)	-	-	-	-	(25,000)	-
Equipment	-	-	-	-	-	-	(4,898)
	(79,339)	(77,147)	(59,079)	(115,773)	-	(331,338)	(380,251)
NET INCREASE (DECREASE) IN CASH	(72,751)	(49,922)	(7,378)	(78,247)	114,729	(93,569)	(191,436)
CASH, BEGINNING	236,124	-	-	-	-	236,124	427,560
INTERFUND TRANSFER	(109,596)	69,004	14,635	140,686	(114,729)	-	-
CASH, ENDING	\$ 53,777	\$ 19,082	\$ 7,257	\$ 62,439	\$ -	\$ 142,555	\$ 236,124

The accompanying notes are an integral part of this statement

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL
Notes to the Financial Statements
December 31, 2013

1. SIGNIFICANT ACCOUNTING POLICIES

The Society is a not-for-profit organization incorporated under the Alberta Societies Act. With the financial support of provincial government bodies, it provides consulting and management services to various groups of interest in respect to Eagle Point and Blue Rapids parks.

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 RADF Fund accounts for the organization's operating costs, operating grants and other revenues designated for the RADF funding agreement. Project funding is reported as revenue and the related project costs are included in various categories of expense.

The General Fund accounts for other operating costs, operating grants and revenues not designated to the RADF funds. This fund includes three other internally restricted funds:

Trails & Facility: Projects and programs dedicated to improving the trails and facilities within the Eagle Point - Blue Rapids Park System.

Education & Outreach: A suite of engagement programs specifically designed to encourage responsible outdoor recreation and foster a culture of environment stewardship, while supporting a health lifestyle within the Eagle Point - Blue Rapids Park System.

Tourism, Marketing & Economic Development: Projects and programs dedicated to increasing tourism and tourism promotion of the Eagle Point Blue Rapids Park System and surrounding area.

Recognition of contributions

The society follows the restricted fund method of accounting for contributions. Externally restricted contributions are recognized when they are received in the fund corresponding to the purpose for which they were received. Unrestricted contributions are recognized in the general fund.

Contributed services

The society uses the services of many volunteers as well as in-kind donations for the community. These services are reported in the society's revenues. The hours contributed by volunteers are compiled and recognized according to an hourly rate corresponding to the average market rate for similar services. Gifts in-kind are reported at fair market value if a value can be ascertained.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL
Notes to the Financial Statements
December 31, 2013

1. SIGNIFICANT ACCOUNTING POLICIES - CON'T

Equipment

Equipment is stated at cost less accumulated amortization. Equipment is fully amortized in the year it is purchased.

Income tax

The society is a not-for-profit organization. Accordingly, no provision is made for income taxes pursuant to Section 149(1) of the Income Tax Act.

Financial Instruments

Financial Instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

2. TEMPORARY INVESTMENTS

Temporary Investments consist of one GIC purchased in the year that will mature on June 4, 2014 and has an interest rate of 2.15%.

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL
Notes to the Financial Statements
December 31, 2013

3. EQUIPMENT

	Cost	Accumulated Amortization	2013 Net Book Value	2012 Net Book Value
Automotive equipment	\$ 20,000	\$ (20,000)	\$ -	\$ -
Office equipment, furniture	10,041	(10,041)	-	-
Computer equipment	16,508	(16,508)	-	-
	<u>\$ 46,549</u>	<u>\$ (46,549)</u>	<u>\$ -</u>	<u>\$ -</u>

4. ECONOMIC DEPENDENCE

The society is mainly funded by grants and is economically dependent upon them.

5. FINANCIAL INSTRUMENTS

Credit Risk

The society's carrying value of cash, accounts receivable, accounts payable and accrued liabilities and wages payable approximates its fair value due to the immediate or short term maturity of these instruments.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risk from the interest rate fluctuations, the corporation manages exposure through its normal operating and financing activities.

6. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.