

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Financial Statements

Year Ended December 31, 2015

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

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Year Ended December 31, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Members of Eagle Point - Blue Rapids Parks 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, 2015 and the statements of revenues and expenditures, changes in net assets and 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 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.

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 audit opinion.

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Independent Auditor's Report to the Members of Eagle Point - Blue Rapids Parks Council *(continued)*

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Eagle Point - Blue Rapids Parks Council as at December 31, 2015 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.

A handwritten signature in black ink that reads "Carlson Roberts Seely M.P." in a cursive style.

Drayton Valley, Alberta
June 13, 2016

CHARTERED PROFESSIONAL ACCOUNTANTS

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Statement of Financial Position

December 31, 2015

	General Fund 2015	Externally Restricted Fund 2015	Total 2015	Total 2014
ASSETS				
CURRENT				
Cash	\$ 87,065	\$ 19,357	\$ 106,422	\$ 117,802
Accounts receivable	151	-	151	151
Goods and services tax recoverable	-	-	-	1,873
	<u>\$ 87,216</u>	<u>\$ 19,357</u>	<u>\$ 106,573</u>	<u>\$ 119,826</u>
LIABILITIES AND NET ASSETS				
CURRENT				
Accounts payable	\$ 6,490	\$ -	\$ 6,490	\$ 8,306
Goods and services tax payable	1,023	-	1,023	-
Wages payable	-	-	-	1,580
	<u>7,513</u>	<u>-</u>	<u>7,513</u>	<u>9,886</u>
NET ASSETS				
Reserve fund	42,000	-	42,000	55,000
Net assets	37,703	19,357	57,060	54,940
	<u>79,703</u>	<u>19,357</u>	<u>99,060</u>	<u>109,940</u>
	<u>\$ 87,216</u>	<u>\$ 19,357</u>	<u>\$ 106,573</u>	<u>\$ 119,826</u>

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Statement of Revenues and Expenditures

For the Year Ended December 31, 2015

	General Fund 2015	Externally Restricted Fund 2015	Total 2015	Total 2014
REVENUE				
Grant revenue	\$ 50,000	\$ 43,500	\$ 93,500	\$ 98,381
Service revenue	35,600	-	35,600	75,000
Cash donations	20,000	-	20,000	-
Reimbursed Supplies	397	6,768	7,165	-
Admin fees	-	-	-	375
Municipal contributions - Brazeau County	-	-	-	5,508
Municipal contributions - Town of Drayton Valley	-	-	-	1,000
	<u>105,997</u>	<u>50,268</u>	<u>156,265</u>	<u>180,264</u>
EXPENSES				
Sub-contracts	82,339	27,444	109,783	92,291
Salaries and wages	67	12,861	12,928	94,553
Supplies	2,182	8,634	10,816	10,161
Travel	6,625	1,218	7,843	4,631
GST Expense	3,445	3,445	6,890	-
Professional fees	6,100	-	6,100	8,433
Office	5,423	282	5,705	3,180
Insurance	1,216	2,026	3,242	3,167
Telephone	966	966	1,932	3,349
Advertising and promotion	32	1,541	1,573	4,694
Rental	325	125	450	-
Repairs and maintenance	275	-	275	12,967
Interest and bank charges	149	-	149	-
Training	-	-	-	1,814
	<u>109,144</u>	<u>58,542</u>	<u>167,686</u>	<u>239,240</u>
DEFICIENCY OF REVENUE OVER EXPENSES FROM OPERATIONS	(3,147)	(8,274)	(11,421)	(58,976)
OTHER INCOME				
Interest income	541	-	541	1,833
DEFICIENCY OF REVENUE OVER EXPENSES	\$ (2,606)	\$ (8,274)	\$ (10,880)	\$ (57,143)

See notes to financial statements

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Statement of Changes in Net Assets

Year Ended December 31, 2015

	General Fund Reserve 2015	General Fund Net Asset 2015	Externally Restricted Fund 2015	Total Total 2015	Total Total 2014
NET ASSETS - BEGINNING OF YEAR	\$ 55,000	\$ 27,309	\$ 27,631	\$ 109,940	\$ 167,083
Deficiency of revenue over expenses	-	(2,606)	(8,274)	(10,880)	(57,143)
Interfund transfer	(13,000)	13,000	-	-	-
NET ASSETS - END OF YEAR	42,000	37,703	19,357	99,060	109,940

See notes to financial statements

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Statement of Cash Flows

Year Ended December 31, 2015

	General Fund 2015	Externally Restricted Fund 2015	Total 2015	Total 2014
OPERATING ACTIVITIES				
Deficiency of revenue over expenses	\$ (2,606)	\$ (8,274)	\$ (10,880)	\$ (57,143)
Changes in non-cash working capital:				
Accounts receivable	-	-	-	3,919
Accounts payable	(1,816)	-	(1,816)	4,949
Goods and services tax payable	2,896	-	2,896	1,251
Wages payable	(1,580)	-	(1,580)	(2,729)
	<u>(500)</u>	<u>-</u>	<u>(500)</u>	<u>7,390</u>
Cash flow from operating activities	<u>(3,106)</u>	<u>(8,274)</u>	<u>(11,380)</u>	<u>(49,753)</u>
INVESTING ACTIVITY				
Sale of GIC	-	-	-	25,000
Cash flow from investing activity	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
DECREASE IN CASH FLOW	(3,106)	(8,274)	(11,380)	(24,753)
Cash - beginning of year	<u>90,171</u>	<u>27,631</u>	<u>117,802</u>	<u>142,555</u>
CASH - END OF YEAR	\$ 87,065	\$ 19,357	\$ 106,422	\$ 117,802

See notes to financial statements

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Notes to Financial Statements

Year Ended December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The society is a not-for-profit organization incorporated under the Alberta Societies Act. It manages and operates Eagle Point Provincial Park and Blue Rapids Provincial Recreational Area, provides consulting and management services to various groups of interest in respect to Eagle Point Provincial and Blue Rapids Recreational Parks, and offers environmental, experiential education programs to the local community.

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

Eagle Point - Blue Rapids Parks Council follows the restricted fund method of accounting for contributions.

The Restricted Fund accounts for the organization's operating costs, operating grants and other revenues designated as restricted by external funding sources.

The General Fund accounts for other operating costs, operating grants and revenues not externally restricted. Within the General Fund is the Society's Reserve Fund, which was created, by way of Board resolution, to cover cash shortfalls. The balance of this fund is reviewed on an annual basis by the Board of Directors.

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 restricted fund. Unrestricted contributions are recognized in the general fund.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. Because of the difficulty of compiling these hours, contributed services are not recognized in the financial statements.

Contributed goods

Contributed goods are recorded at their fair market value at the time of the donation. During the year \$0 in goods were donated (2015 - \$0).

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.

Equipment

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

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EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Notes to Financial Statements

Year Ended December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Income taxes

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

Financial instruments policy

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. EQUIPMENT

	Cost	Accumulated amortization	2015 Net book value	2014 Net book value
Motor vehicles	\$ 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>

3. ECONOMIC DEPENDENCE

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

4. FINANCIAL INSTRUMENTS

The society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the society's risk exposure and concentration as of December 31, 2015.

Credit risk

The society's carrying value of cash, accounts receivable, accounts payable, 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 risks from interest rate fluctuations, the society manages exposure through its normal operating and financing activities.