

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Financial Statements

Year Ended December 31, 2023

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL
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Year Ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of Eagle Point - Blue Rapids Parks Council

Qualified Opinion

We have audited the financial statements of Eagle Point - Blue Rapids Parks Council (the "organization"), which comprise the statement of financial position as at December 31, 2023, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

In common with many charitable organizations, the organization derives revenue from (specify type of contributions affected) 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 organization 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. Our audit opinion on the financial statements for the year ended December 31, 2023 was modified accordingly because of the possible effects of this limitation of scope.

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 organization in accordance with 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 qualified audit 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 ASNPO, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

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

Carlson Roberts Seely LLP.

Drayton Valley, Alberta
June 3, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS


EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Statement of Financial Position


December 31, 2023

	General Fund 2023	Externally Restricted Fund 2023	2023 2023	2022 2022
ASSETS				
CURRENT				
Cash	\$ 107,108	\$ 196,882	\$ 303,990	\$ 382,090
Accounts receivable	5,707	-	5,707	-
Goods and services tax recoverable	-	-	-	4,029
	<u>\$ 112,815</u>	<u>\$ 196,882</u>	<u>\$ 309,697</u>	<u>\$ 386,119</u>
LIABILITIES AND NET ASSETS				
CURRENT				
Accounts payable	\$ 4,409	\$ -	\$ 4,409	\$ 19,292
Goods and services tax payable	128	-	128	-
Wages payable	1,566	-	1,566	-
Employee deductions payable	1,425	-	1,425	1,398
Deferred income	1,050	-	1,050	105
CEBA loan	-	-	-	40,000
	<u>8,578</u>	<u>-</u>	<u>8,578</u>	<u>60,795</u>
NET ASSETS				
Reserve fund	75,000	-	75,000	75,000
Net assets	29,237	196,882	226,119	250,324
	<u>104,237</u>	<u>196,882</u>	<u>301,119</u>	<u>325,324</u>
	<u>\$ 112,815</u>	<u>\$ 196,882</u>	<u>\$ 309,697</u>	<u>\$ 386,119</u>

ON BEHALF OF THE BOARD



Director



Director

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Statement of Revenues and Expenditures

Year Ended December 31, 2023

	General Fund 2023	Externally Restricted Fund 2023	2023 2023	2022 2022
REVENUES				
Grant revenue	\$ 106,504	\$ 138,000	\$ 244,504	\$ 205,300
Sponsorships	-	49,618	49,618	21,224
Event revenue	-	6,411	6,411	9,260
Cash donations	260	4,232	4,492	1,420
Service revenue	-	4,434	4,434	3,532
Reimbursed supplies	-	-	-	319
	<u>106,764</u>	<u>202,695</u>	<u>309,459</u>	<u>241,055</u>
EXPENSES				
Core contractors	35,239	62,784	98,023	110,947
Salaries and wages	30,641	39,422	70,063	70,555
Sub-contracts	75	59,141	59,216	51,716
Supplies	11,778	35,950	47,728	29,632
Office	8,374	7,344	15,718	22,165
Legacy fund contribution	10,000	-	10,000	-
Advertising and promotion	-	7,365	7,365	2,919
GST Expense	2,026	3,621	5,647	4,202
Travel	701	3,687	4,388	1,764
Professional fees	4,250	-	4,250	4,000
Insurance	2,232	1,345	3,577	3,528
Utilities	-	2,823	2,823	2,440
Training	2,297	180	2,477	137
Telephone	1,440	723	2,163	2,386
Interest and bank charges	244	4	248	386
Repairs and maintenance	-	-	-	250
Amortization	13,663	-	13,663	2,019
	<u>122,960</u>	<u>224,389</u>	<u>347,349</u>	<u>309,046</u>
DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS	<u>(16,196)</u>	<u>(21,694)</u>	<u>(37,890)</u>	<u>(67,991)</u>
OTHER INCOME				
Interest income	13,685	-	13,685	7,655
Government assistance	-	-	-	20,000
	<u>13,685</u>	<u>-</u>	<u>13,685</u>	<u>27,655</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (2,511)</u>	<u>\$ (21,694)</u>	<u>\$ (24,205)</u>	<u>\$ (40,336)</u>


Valerie Peck

See notes to financial statements

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Statement of Changes in Net Assets

Year Ended December 31, 2023

	General Fund Net Asset 2023	Externally Restricted Fund Net Asset 2023	General Fund Reserve 2023	2023 Total 2023	2022 Total 2022
NET ASSETS - BEGINNING OF YEAR	\$ 31,748	\$ 218,576	\$ 75,000	\$ 325,324	\$ 365,660
Deficiency of revenues over expenses	(2,511)	(21,694)	-	(24,205)	(40,336)
NET ASSETS - END OF YEAR	\$ 29,237	\$ 196,882	\$ 75,000	\$ 301,119	\$ 325,324



See notes to financial statements

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Statement of Cash Flows

Year Ended December 31, 2023

	General Fund 2023	Externally Restricted Fund 2023	Total 2023	Total 2022
OPERATING ACTIVITIES				
Deficiency of revenues over expenses	\$ (2,511)	\$ (21,694)	\$ (24,205)	\$ (40,336)
Item not affecting cash:				
Amortization of property, plant and equipment	13,663	-	13,663	2,019
	<u>11,152</u>	<u>(21,694)</u>	<u>(10,542)</u>	<u>(38,317)</u>
Changes in non-cash working capital:				
Accounts receivable	(5,707)	-	(5,707)	900
Accounts payable	(14,883)	-	(14,883)	(15,182)
Deferred income	945	-	945	(204)
Prepaid expenses	-	-	-	75
Goods and services tax payable	4,157	-	4,157	840
Wages payable	1,566	-	1,566	-
Employee deductions payable	27	-	27	411
	<u>(13,895)</u>	<u>-</u>	<u>(13,895)</u>	<u>(13,160)</u>
Cash flow used by operating activities	<u>(2,743)</u>	<u>(21,694)</u>	<u>(24,437)</u>	<u>(51,477)</u>
INVESTING ACTIVITY				
Purchase of property, plant and equipment	<u>(13,663)</u>	<u>-</u>	<u>(13,663)</u>	<u>(2,019)</u>
Cash flow from (used by) investing activity	<u>(13,663)</u>	<u>-</u>	<u>(13,663)</u>	<u>(2,019)</u>
FINANCING ACTIVITIES				
CEBA Loan	(40,000)	-	(40,000)	(20,000)
Interfund allocation for appropriation	-	-	-	-
Cash flow from (used by) financing activities	<u>(40,000)</u>	<u>-</u>	<u>(40,000)</u>	<u>(20,000)</u>
DECREASE IN CASH FLOW	(56,406)	(21,694)	(78,100)	(73,496)
Cash - beginning of year	163,514	218,576	382,090	455,586
CASH - END OF YEAR	\$ 107,108	\$ 196,882	\$ 303,990	\$ 382,090


Duane Beck

See notes to financial statements

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Notes to Financial Statements

Year Ended December 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The council 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:

Cash and cash equivalents

Cash includes cash and cash equivalents.

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 Council'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 Council 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 Council 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 (2022 - \$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, 2023

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

Income taxes

The Council 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 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. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Motor vehicles	\$ 20,000	\$ 20,000	\$ -	\$ -
Office equipment, furniture	36,723	36,723	-	-
Computer equipment	36,163	36,163	-	-
	<u>\$ 92,886</u>	<u>\$ 92,886</u>	<u>\$ -</u>	<u>\$ -</u>


Arale Reek

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Notes to Financial Statements

Year Ended December 31, 2023

3. RELATED PARTY TRANSACTIONS

a) During the year, the Council entered into transactions with the following related parties:

Drayton Sand and Gravel, Chair's corporation
Drayton Redi-Mix Ltd, Chair's corporation
Dennis McGinn Holdings Ltd., Chair's corporation
Koerr Inc, Executive director's corporation
Sandra Bannard, Executive director
Tammie Stafford, Director

b) The Council entered into the following transactions with related parties.

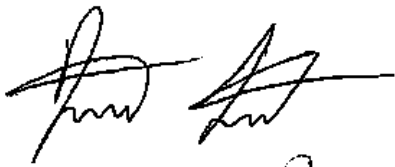
	<u>2023</u>	<u>2022</u>
<u>Revenues</u>		
Sponsorship	\$ 1,560	\$ 4,500
Program registration	-	-
Program/sales/equipment rental revenue	<u>95</u>	<u>-</u>
	<u>\$ 1,655</u>	<u>\$ 4,500</u>

These transactions are in the normal course of the operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

c) The Council has no outstanding balances to/from related parties at year end.

4. ECONOMIC DEPENDENCE

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



Avalie Peck

EAGLE POINT - BLUE RAPIDS PARKS COUNCIL

Notes to Financial Statements

Year Ended December 31, 2023

5. FINANCIAL INSTRUMENTS

The council 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, 2021.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The society's credit risk is reduced by the fact that the 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.

(b) 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 organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.