

EMERALD LAKE REGIONAL PARK AUTHORITY
Financial Statements
Year Ended December 31, 2021

DRAFT

EMERALD LAKE REGIONAL PARK AUTHORITY
Index to Financial Statements
Year Ended December 31, 2021

	Page
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	1
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Operations and Accumulated Surplus	4
Statement of Changes in Net Financial Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 11
Expenses (<i>Schedule 1</i>)	12

DRAFT

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Emerald Lake Regional Park Authority have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Emerald Lake Regional Park Authority's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the members, the engagement or re-appointment of the external auditors.

Director

Chelsey Watts, Secretary

Leask, SK
May 22, 2022

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Emerald Lake Regional Park Authority

We have reviewed the accompanying financial statements of Emerald Lake Regional Park Authority which comprise the statement of financial position as at December 31, 2021 and the statements of operations and accumulated surplus, changes in net financial 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 public sector accounting standards, 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.

Practitioner's Responsibility for the Financial Statements

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Emerald Lake Regional Park Authority as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Emphasis of Matter - Restated comparative information

We draw attention to Note 7 of the financial statements, which explains that certain comparative information presented for the year ended December 31, 2020 has been restated. Our opinion has not been modified in respect of this matter.

Prince Albert, SK

Chartered Professional Accountants

EMERALD LAKE REGIONAL PARK AUTHORITY
Statement of Financial Position
December 31, 2021

	2021	2020 (Restated - See Note 7)
FINANCIAL ASSETS		
Cash (Note 3)	\$ 265,204	\$ 185,759
Term deposits	3,500	11,808
Accounts receivable	4,038	21,017
Goods and services tax recoverable	3,274	-
	276,016	218,584
LIABILITIES		
Accounts payable and accrued liabilities	388	18,729
Deferred income (Note 4)	2,700	14,576
Goods and Services Tax payable	-	2,670
Provincial Sales Tax recoverable	310	275
Employee Deductions payable	29,840	5,437
	33,238	41,687
NET FINANCIAL ASSETS	242,778	176,897
NON-FINANCIAL ASSETS		
Prepaid expenses	8,122	5,761
Inventory	1,793	1,793
Tangible capital assets (Note 5)	323,389	323,424
	333,304	330,978
ACCUMULATED SURPLUS	\$ 576,082	\$ 507,875

ON BEHALF OF BOARD

_____ Director

_____ Director

EMERALD LAKE REGIONAL PARK AUTHORITY
Statement of Operations and Accumulated Surplus
Year Ended December 31, 2021

	2021	2020 (Restated - See Note 7)
REVENUES		
Seasonal camping fees	\$ 84,230	\$ 80,875
Cottage (land lease fees)	67,278	67,382
Concession sales	52,186	49,750
Provincial grants	23,128	25,469
Survey fees	13,626	26,505
Miscellaneous income	10,844	3,794
Firewood sales	3,590	5,522
Shower revenue	2,820	1,674
Can and bottle returns	2,313	2,472
Boat entry fees	-	104
Swim lesson fees	-	24
Recreation Facilities:		
Daily camping fees	94,187	72,575
Golf Memberships	9,695	7,571
Daily golf fees	7,736	6,568
Golf cart rental	4,872	3,721
Park entry fees:		
Seasonal Stickers	35,699	27,954
Daily Entry	14,860	15,129
	<u>427,064</u>	<u>397,089</u>
Expenses		
Administrative expenses (<i>Schedule 1</i>)	80,664	72,027
Operating expenses (<i>Schedule 1</i>)	278,193	233,180
	<u>358,857</u>	<u>305,207</u>
ANNUAL SURPLUS	68,207	91,882
ACCUMULATED SURPLUS - BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	524,387	426,340
PRIOR PERIOD ADJUSTMENT (<i>Note 7</i>)	(16,512)	(10,347)
ACCUMULATED SURPLUS - BEGINNING OF YEAR, AS RESTATED	<u>507,875</u>	<u>415,993</u>
ACCUMULATED SURPLUS - END OF YEAR	\$ 576,082	\$ 507,875

See notes to financial statements

EMERALD LAKE REGIONAL PARK AUTHORITY
Statement of Changes in Net Financial Assets
Year Ended December 31, 2021

	2021	2020 (Restated - See Note 7)
ANNUAL SURPLUS	\$ 68,207	\$ 91,882
Amortization of tangible capital assets	27,715	21,820
Purchase of tangible capital assets	(27,680)	(19,244)
Decrease (increase) in prepaid expenses	(2,361)	-
	(2,326)	2,576
INCREASE IN NET FINANCIAL ASSETS	65,881	94,458
NET FINANCIAL ASSETS - BEGINNING OF YEAR	176,897	82,439
NET FINANCIAL ASSETS - END OF YEAR	\$ 242,778	\$ 176,897

DRAFT

EMERALD LAKE REGIONAL PARK AUTHORITY

Statement of Cash Flows

Year Ended December 31, 2021

	2021	2020 (Restated - see Note7)
OPERATING ACTIVITIES		
Surplus	\$ 68,207	\$ 91,882
Items not affecting cash:		
Amortization of tangible capital assets	<u>27,715</u>	21,820
	<u>95,922</u>	113,702
Accounts receivable	16,979	(13,403)
Prepaid expenses	(2,361)	-
Goods and Services Tax payable	(2,670)	13,121
Provincial Sales Tax recoverable	35	66
Goods and services tax recoverable	(3,274)	-
Deferred income	(11,876)	(25,454)
Employee deductions payable	24,403	(40,349)
Accounts payable	<u>(18,341)</u>	<u>(11,850)</u>
	2,895	(77,869)
Cash flow from operating activities	<u>98,817</u>	35,833
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(27,680)	(19,244)
Term deposit	<u>8,308</u>	<u>(131)</u>
Cash flow used by investing activities	<u>(19,372)</u>	(19,375)
FINANCING ACTIVITY		
Repayment of callable debt	-	<u>(541)</u>
Cash flow from (used by) financing activity	-	<u>(541)</u>
INCREASE IN CASH FLOW	79,445	15,917
Cash - beginning of year	<u>185,759</u>	169,842
CASH - END OF YEAR (Note 3)	<u>\$ 265,204</u>	<u>\$ 185,759</u>

EMERALD LAKE REGIONAL PARK AUTHORITY

Notes to Financial Statements

Year Ended December 31, 2021

(Unaudited)

1. PURPOSE OF THE COMPANY

Emerald Lake Regional Park Authority (the "Regional Park") was established by an Order in Council of the Government of Saskatchewan under the authority of The Regional Parks Act, 1979 on March 3, 1967 through an application made by the municipalities of the Village of Leask and the Rural Municipality of Leask No. 464. As a registered charity the company is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The company operates to provide a park, campground, and golf course at Emerald Lake, near Leask, Saskatchewan.

2. Significant accounting policies

The financial statements were prepared in accordance with Canadian public sector accounting standards (PSAS).

Government transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:

- a) The transfers are authorized;
- b) Any eligibility criteria and stipulation have been met; and
- c) Reasonable estimates of the amounts can be made.

Unearned government transfer amounts will be recorded as deferred revenue until eligibility criteria or stipulations are met.

Earned government transfer amounts not received will be recorded as an amount receivable.

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

Revenue recognition

Lease, fees, and other rental income is recognized when received or when goods or services have been provided.

Donation and fundraising revenue is recognized in the period in which the funds are received unless the donation is restricted. If the donation is restricted by the contributor, the revenue is deferred and recognized when the conditions of the donation have been met.

Other revenue, such as interest and miscellaneous fee income, is recognized when received or when goods or services have been provided.

Non-financial assets

Tangible capital and other non-financial assets are accounted for as assets by the Regional Park because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Regional Park unless they are sold.

(continues)

EMERALD LAKE REGIONAL PARK AUTHORITY

Notes to Financial Statements

Year Ended December 31, 2021

(Unaudited)

2. Significant accounting policies (continued)

Net financial assets

Net financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

Term deposits

Term deposits with original maturities at date of purchase beyond three months and less than twelve months, are carried at amortized cost and presented as short-term investments.

Tangible capital assets

Tangible capital assets are stated at cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Buildings	4%
Equipment	20%
Vehicles	30%
Infrastructure	10%

The company regularly reviews its tangible capital assets to eliminate obsolete items.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards 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.

Examples of significant estimates include:

- Providing for amortization of tangible capital assets;
- The estimated useful lives of assets;
- The recoverability of tangible assets.

3. CASH

	<u>2021</u>	<u>2020</u>
Affinity Credit Union - chequing	\$ 212,429	\$ 183,130
Affinity Credit Union - savings	50,904	758
Petty cash	1,400	1,400
Cash Float	471	471
	<u>\$ 265,204</u>	<u>\$ 185,759</u>

EMERALD LAKE REGIONAL PARK AUTHORITY

Notes to Financial Statements

Year Ended December 31, 2021

(Unaudited)

4. DEFERRED REVENUE

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 14,576	\$ 40,030
Amounts collected	-	-
Amount earned	<u>(11,876)</u>	<u>(25,454)</u>
	<u>\$ 2,700</u>	<u>\$ 14,576</u>

5. TANGIBLE CAPITAL ASSETS

<u>Cost</u>	<u>2020</u> <u>Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>2021</u> <u>Balance</u>
Buildings	\$ 519,840	\$ -	\$ -	\$ 519,840
Equipment & Machinery	486,310	-	-	486,310
Infrastructure	44,295	12,925	-	57,220
Vehicles	65,663	14,755	-	80,418
	<u>\$ 1,116,108</u>	<u>\$ 27,680</u>	<u>\$ -</u>	<u>\$ 1,143,788</u>

<u>Accumulated Amortization</u>	<u>2020</u> <u>Balance</u>	<u>Amortization</u>	<u>Accumulated</u> <u>Amortization</u> <u>on Disposals</u>	<u>2021</u> <u>Balance</u>
Buildings	\$ 265,373	\$ 10,178	\$ -	\$ 275,551
Equipment & Machinery	450,785	7,105	-	457,890
Infrastructure	17,713	3,951	-	21,664
Vehicles	58,813	6,481	-	65,294
	<u>\$ 792,684</u>	<u>\$ 27,715</u>	<u>\$ -</u>	<u>\$ 820,399</u>

<u>Net book value</u>	<u>2021</u>	<u>2020</u>
Buildings	\$ 244,289	\$ 254,467
Equipment & Machinery	28,420	35,525
Infrastructure	35,556	26,582
Vehicles	15,124	6,850
	<u>\$ 323,389</u>	<u>\$ 323,424</u>

EMERALD LAKE REGIONAL PARK AUTHORITY

Notes to Financial Statements

Year Ended December 31, 2021

(Unaudited)

6. ACCUMULATED SURPLUS

	2020 (Restated - See Note 7)	Changes	2021
<u>UNAPPROPRIATED SURPLUS</u>	\$ 184,451	\$ 68,242	\$ 252,693
<u>APPROPRIATED SURPLUS</u>			
<u>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</u>			
Tangible Capital Assets	323,424	(35)	323,389
Less: Related Debt	-	-	-
Net Investment in Tangible Capital Assets	<u>323,424</u>	<u>(35)</u>	<u>323,389</u>
Total Accumulated Surplus	<u>\$ 507,875</u>	<u>\$ 68,207</u>	<u>\$ 576,082</u>

7. PRIOR PERIOD ADJUSTMENTS

During 2021 it was determined that certain errors occurred in the prior year:

- a) Septic Services incurred had not been recorded. \$11,075 should have been recorded as a payable, Septic service expenses of \$6,165 should be recorded in 2020 and \$4,910 relating to 2019 should be recorded in opening accumulated surplus;
- b) Employment source deductions incurred in 2019 had not been recorded. \$5,437 should have been recorded as employee deductions payable and opening accumulated surplus;

The Regional Park has treated the above noted items as errors. As a result, the Regional Park has restated its 2020 comparative figures to reflect these corrections.

	2020 (Previously Reported)	Adjustments	2020 (As Restated)
<u>Statement of Financial Position</u>			
Accounts payable and accrued liabilities (a)	\$ 7,654	\$ 11,075	\$ 18,729
Employee deductions payable (b)	-	5,437	5,437
<u>Statement of Operations and Accumulated Surplus</u>			
Utilities (a)	\$ 24,555	\$ 6,165	\$ 30,720
Annual surplus (a)	98,047	(6,165)	91,882
Accumulated surplus - beginning of year (a) (b)	426,340	(10,347)	415,993
Accumulated surplus - end of year (a) (b)	<u>524,387</u>	<u>(16,512)</u>	<u>507,875</u>
<u>Statement of Changes in Net Financial Assets</u>			
Annual surplus (a)	\$ 98,047	\$ (6,165)	\$ 91,882
Net financial assets - end of year (a) (b)	193,409	(16,512)	176,897
	-	-	-

(continues)

EMERALD LAKE REGIONAL PARK AUTHORITY

Notes to Financial Statements

Year Ended December 31, 2021

(Unaudited)

7. PRIOR PERIOD ADJUSTMENTS (continued)

	2020 (Previously Reported)	Adjustments	2020 (As Restated)
<u>Statement of Cash Flows</u>			
Annual surplus (a)	\$ 98,047	\$ (6,165)	\$ 91,882
Accounts payable and accrued liabilities (a)	7,654	11,075	18,729
Employee deductions payable (b)	-	5,437	5,437

8. IMPACT OF COVID-19

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

Impacts to the Regional Park for 2021 had been relieved, the revenue increased slightly such as camping activity. The operation of the Regional Park is expected to remain stable in the subsequent period.

EMERALD LAKE REGIONAL PARK AUTHORITY

**Expenses
(Schedule 1)**

Year Ended December 31, 2021

	2021	2020 (Restated - See Note 7)
OPERATING EXPENSES		
Administration:		
Admin - Employee benefits	\$ 5,599	\$ 5,643
Admin - miscellaneous	11,098	6,659
Admin - office supplies	5,121	8,264
Admin - postage	325	604
Admin - secretary treasurer wages	19,479	13,500
Admin - vehicle plates	-	898
Other admin - audit	7,387	10,153
Other admin - firewood	2,560	4,550
Other admin - insurance	12,166	12,229
Other admin - miscellaneous	9,511	5,117
Other admin - staff & board mileage	2,848	1,304
Other admin - worker's comp	1,083	1,407
Bad debts	3,487	1,699
	<u>80,664</u>	<u>72,027</u>
Operating:		
Amortization	27,716	21,820
Advertising and promotion	310	-
Board Honorariums	1,100	-
Concession costs	87,736	80,894
Freight	20	-
Fuel - gas	6,128	2,652
General maintenance - employee wages	45,368	38,280
General maintenance - housekeeping	4,130	2,907
Interest and bank charges	4,709	8,151
Loan interest	-	2
Recreation program fees	7,324	-
Repairs and maintenance	43,461	23,083
Small tools	4,536	67
Special events	1,579	361
Survey fee	16,553	24,243
Utilities	27,523	30,720
	<u>278,193</u>	<u>233,180</u>
	<u>\$ 358,857</u>	<u>\$ 305,207</u>

See notes to financial statements