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Financial statements of  
Friends of Madge Lake, Duck  
Mountain Park Incorporated

December 31, 2021

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## Independent Practitioner's Review Engagement Report

To the Members of  
Friends of Madge Lake, Duck Mountain Park Incorporated

We have reviewed the accompanying financial statements of Friends of Madge Lake, Duck Mountain Park Incorporated that comprise the statement of financial position as at December 31, 2021, and the statements of operations, 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.

### Practitioner's Responsibility

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 the financial statements do not present fairly, in all material respects, the financial position of Friends of Madge Lake, Duck Mountain Park Incorporated as at December 31, 2021, 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.



Chartered Professional Accountants  
May 18, 2022

## Friends of Madge Lake, Duck Mountain Park Incorporated

### Statement of operations

Year ended December 31, 2021

(Unaudited)

	Notes	2021 \$	2020 \$
<b>Revenue</b>			
Donations, fundraisers and sponsorships	5	45,000	2,313
Commission on vendor sales	3	16,552	13,003
Friendship donations		15,700	4,220
Grants		—	6,933
Other revenue (Schedule 1)		21,404	14,640
		<b>98,656</b>	<b>41,109</b>
<b>Expenses</b>			
General and administration		8,462	5,683
Bank, interest and transaction fees		1,415	787
Wages		3,891	9,760
Other expenses (Schedule 1)		14,370	9,761
		<b>28,138</b>	<b>25,991</b>
Excess of revenue over expenses from operations		70,518	15,118
Park project expenditures	4	(52,019)	(46,748)
<b>Excess (Deficit) of revenue over expenses</b>		<b>18,499</b>	<b>(31,630)</b>

The accompanying notes are an integral part of the financial statements.

**Friends of Madge Lake, Duck Mountain Park Incorporated****Statement of changes in net assets**

Year ended December 31, 2021

(Unaudited)

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	<b>Restricted Park Project Reserve</b>	<b>Unrestricted</b>	<b>2021</b>	2020
	\$	\$	\$	\$
<b>Net assets, beginning of year</b>	<b>4,141</b>	<b>17,823</b>	<b>21,964</b>	<b>53,594</b>
Excess of revenue over expenses from operations	—	<b>70,518</b>	<b>70,518</b>	<b>15,118</b>
Park project expenditures	<b>(52,019)</b>	—	<b>(52,019)</b>	<b>(46,748)</b>
Transfers	<b>59,412</b>	<b>(59,412)</b>	—	—
<b>Net assets, end of year</b>	<b>11,534</b>	<b>28,929</b>	<b>40,463</b>	<b>21,964</b>

The accompanying notes are an integral part of the financial statements.

**Friends of Madge Lake, Duck Mountain Park Incorporated**

**Statement of financial position**

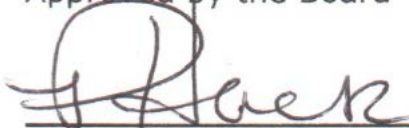
As at December 31, 2021

(Unaudited)

	Notes	<b>2021</b>	2020
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
Current assets			
Cash		<b>35,313</b>	19,109
Prepays		<b>5,700</b>	3,585
		<b>41,013</b>	22,694
<b>Liabilities</b>			
Current liabilities			
Accounts payable and accrued liabilities		<b>550</b>	730
<b>Net assets</b>			
Restricted – Park project reserve	4	<b>11,534</b>	4,141
Unrestricted		<b>28,929</b>	17,823
		<b>40,463</b>	21,964
		<b>41,013</b>	22,694

The accompanying notes are an integral part of the financial statements.

Approved by the Board

 \_\_\_\_\_, Director

 \_\_\_\_\_, Director

**Friends of Madge Lake, Duck Mountain Park Incorporated****Statement of cash flows**

Year ended December 31, 2021

(Unaudited)

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	<b>2021</b>	2020
	<b>\$</b>	\$
<b>Operating activities</b>		
Excess (Deficit) of revenue over expenses	<b>18,499</b>	(31,630)
Adjustment for		
Changes in non-cash working capital		
Prepays	<b>(2,115)</b>	215
Accounts payable and accrued liabilities	<b>(180)</b>	(193)
	<b>16,204</b>	(31,608)
Net increase in cash	<b>16,204</b>	(31,608)
Cash, beginning of year	<b>19,109</b>	50,717
<b>Cash, end of year</b>	<b>35,313</b>	19,109

The accompanying notes are an integral part of the financial statements.

# Friends of Madge Lake, Duck Mountain Park Incorporated

## Notes to the financial statements

December 31, 2021

(Unaudited)

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### 1. Description of business

Friends of Madge Lake, Duck Mountain Park Incorporated ("the Organization" or "FOML") was formed on November 1, 2017 and was incorporated under the Non-Profit Corporations Act of Saskatchewan. The Organization has no share capital, the liability of members is limited and no distributions to the members can be made. The Organization was granted registered charitable status on January 11, 2021.

The Organization's mission is to identify valued projects in Duck Mountain Provincial Park ("the Park" or "Madge Lake"), raise sufficient funds to fulfill the Organizational goals and work toward enhancing the Madge Lake experience.

The Organization works with volunteers to enhance and maintain the Park in collaboration with Park administration.

### 2. Significant accounting policies

#### *Basis of presentation*

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies:

#### *Use of estimates*

The preparation of the financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

#### *Revenue recognition*

The Organization follows the deferral method of accounting for contributions. Restricted contributions and donations are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions and donations are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donations, fundraisers, and sponsorships are recorded as revenue in the statement of operations when amounts are received. If amounts received have restrictions or stipulations, they are recorded as deferred revenue in the statement of financial position. FOML does not organize and is not responsible for cash transactions at fundraising events. Certain events and fundraisers are held at the Park, and organizers of those events sometimes choose to donate proceeds, at their discretion, to FOML.

Commission on vendor sales are determined by vendor agreements. Vendors provide their product to the Organization. When product is sold, the Organization earns a commission and remits the remainder of the proceeds on sale back to the vendor. Any unsold products are given back to the vendors at year-end.

Other revenue is recognized when goods are sold or services are rendered and the amount to be received can be reasonably assured.



## **Friends of Madge Lake, Duck Mountain Park Incorporated**

### **Notes to the financial statements**

December 31, 2021

(Unaudited)

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## **2. Significant accounting policies (continued)**

### *Restricted funds*

The Board of Directors restricts funds for specific projects from time to time. These amounts are reported separately in the net assets section of the statement of financial position. Restricted funds are used for capital or other projects in the Park. Funds spent on Park projects are expensed in the statement of operations as any asset constructed belongs to the Park.

### *Facility costs*

The Organization operates a craft store out of a log cabin in the Park. The log cabin is owned by the Park. The Park allows the Organization to use the cabin at no cost. No amounts in these financial statements have been recorded for the Park allowing the Organization to operate in its log cabin. All improvements to the property were made by the park and FOML volunteers and are recorded as expenses in the statement of operations.

### *Capital assets*

Capital assets are recorded as expenses in the year they are acquired.

### *Cash*

Cash is comprised of cash held within bank accounts.

### *Financial Instruments*

The Organization measures its financial assets and liabilities at fair value. The Organization subsequently measures all its financial assets and liabilities at amortized cost. Changes in fair value are recognized in the statement of operations.

### *Contributed services*

The Organization would not be able to carry out its activities without the services of the many volunteers who donate labor hours. These contributed services are not recognized in the financial statements.

## **3. Commissions**

During the year, the Organization earned \$16,552 (\$13,003 in 2020) in commissions resulting from total vendor sales of \$57,799 (\$47,800 in 2020) and total vendor expenses of \$41,247 (\$34,797 in 2020).

## Friends of Madge Lake, Duck Mountain Park Incorporated

### Notes to the financial statements

December 31, 2021

(Unaudited)

#### 4. Restricted net assets- Park project reserve

During the year, the Organization spent \$52,019 (\$46,748 in 2020) on various projects to enhance the Park. The board of directors approved transfers of \$60,000 (\$40,180 in 2020) from unrestricted operating reserve to the restricted park project reserve. \$588 (\$5,021 in 2020) of funds were transferred from the restricted park project reserve to the unrestricted operating reserve which represents unspent funds on projects that have been completed. Details of restricted funds committed to specific projects, and project spending, are as follows:

<i>Project Description</i>	Restricted funds, December 31, 2020	Restricted funds transfers from operating reserve	2021 Project Spending	Restricted funds transferred to operating reserve on project completion	Restricted funds, December 31, 2021	Project spending since incorporation
Trail/Highway Signs	-	-	-	-	-	10,758
Off Leash Dog Park	-	-	-	-	-	4,753
Rec Haul Upgrade	-	-	-	-	-	1,615
Upgrade Rec Hall Sound System	-	-	-	-	-	3,421
Memorial Pole	-	-	-	-	-	5,900
Tennis/Basketball Courts Resurfacing	-	-	-	-	-	42,180
Wake Free Zones	-	-	-	-	-	5,173
Ski Hill Support	-	-	-	-	-	5,000
Forest Educational Program	-	5,000	-	-	5,000	-
Fisheries Management Program	-	5,000	-	-	5,000	-
Memorial Benches	-	5,000	(3,466)	-	1,534	3,467
Jubilee Playground	4,141	45,000	(48,553)	(588)	-	48,553
Total Projects	4,141	60,000	(52,019)	(588)	11,534	130,819

#### 5. Donations, fundraisers, and sponsorships

Amounts donated, fundraised, or received through sponsorships, net of expenses incurred, through the following events were received and recorded in the statement of operations:

	2021 \$	2020 \$
Nykolaishen Foundation	45,000	-
General donations	-	2,313
	45,000	2,313

#### 6. Income taxes

No provision is recognized for income taxes in these financial statements as the Organization is a not-for-profit corporation and is exempt from taxation.

#### 7. Financial instruments

The Organization has determined it does not have any significant credit, interest, liquidity or market risk through any its financial assets and liabilities.

## **Friends of Madge Lake, Duck Mountain Park Incorporated**

### **Notes to the financial statements**

December 31, 2021

(Unaudited)

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#### **8. COVID-19**

In March 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic. COVID-19 has and is expected to continue to have a significant impact on various industries. Despite the pandemic, the Organization was still able to operate its store while following provincial health guidelines. However, the Organization was not able to benefit from fundraising activities. While the full duration and scope of the COVID-19 pandemic is not known at this time, the Organization does not believe the pandemic will have a material adverse impact on the long-term financial sustainability of the Organization. During the summer of 2021, pandemic restrictions were eased heavily province-wide – this would have a positive effect on the business as seen in In February of 2022, most of the restrictions have been lifted in the province of Saskatchewan – operations should be expected to return to pre-pandemic conditions.

**Friends of Madge Lake, Duck Mountain Park Incorporated****Schedule 1 – Schedule of other revenue and expenses**

Year ended December 31, 2021

(Unaudited)

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	<b>Revenue</b>	<b>Expenses</b>	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Item sales	<b>7,685</b>	<b>4,965</b>	<b>2,720</b>	2,378
Confectionary	<b>9,540</b>	<b>8,707</b>	<b>833</b>	246
50 / 50	<b>1,395</b>	<b>698</b>	<b>697</b>	413
Cookbooks	<b>615</b>	<b>—</b>	<b>615</b>	491
Bottle / can deposit	<b>244</b>	<b>—</b>	<b>244</b>	583
Farmer's Market	<b>1,925</b>	<b>—</b>	<b>1,925</b>	—
SLGA Reimbursement	<b>—</b>	<b>—</b>	<b>—</b>	768
	<b>21,404</b>	<b>14,370</b>	<b>7,033</b>	4,879

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