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

December 31, 2020

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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, 2020, 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, 2020, 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.

Deloitte LLP

Friends of Madge Lake, Duck Mountain Park Incorporated

Statement of operations

Year ended December 31, 2020

(Unaudited)

	Notes	2020 \$	2019 \$
Revenue			
Donations, fundraisers and sponsorships	5	2,313	44,466
Commission on vendor sales	3	13,003	9,368
Membership dues		4,220	4,800
Grants		6,933	—
Other revenue (Schedule 1)		14,640	19,354
		41,109	77,988
Expenses			
General and administration		5,683	4,184
Bank, interest and transaction fees		787	1,224
Wages		9,760	—
Other expenses (Schedule 1)		9,761	12,772
		25,991	18,180
Excess of revenue over expenses from operations		15,118	59,808
Park project expenditures	4	46,748	32,051
(Deficit) excess of revenue over expenses		(31,630)	27,757

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, 2020

(Unaudited)

	Restricted Park Project Reserve	Unrestricted	2020	2019
	\$	\$	\$	\$
Net assets, beginning of year	15,730	37,864	53,594	25,837
Excess of revenue over expenses from operations	—	15,118	15,118	59,808
Park project expenditures	(46,748)	—	(46,748)	(32,051)
Transfers	35,159	(35,159)	—	—
Net assets, end of year	4,141	17,823	21,964	53,594

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

Friends of Madge Lake, Duck Mountain Park Incorporated

Statement of financial position

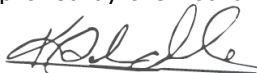
As at December 31, 2020

(Unaudited)

	Notes	2020	2019
		\$	\$
Assets			
Current assets			
Cash		19,109	50,717
Prepays		3,585	3,800
		22,694	54,517
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		730	923
Net assets			
Restricted – Park project reserve	4	4,141	15,730
Unrestricted		17,823	37,864
		21,964	53,594
		22,694	54,517

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, 2020

(Unaudited)

	2020	2019
	\$	\$
Operating activities		
(Deficit) excess of revenue over expenses	(31,630)	27,757
Adjustment for		
Changes in non-cash working capital		
Prepays	215	(3,800)
Accounts payable and accrued liabilities	(193)	54
	(31,608)	24,011
Net increase in cash	(31,608)	24,011
Cash, beginning of year	50,717	26,706
Cash, end of year	19,109	50,717

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, 2020

(Unaudited)

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'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.

Membership contributions are recognized over the membership period, which can be annual, three year or lifetime memberships. Memberships are contributions to the Organization as there are no specific services or benefits to members for these contributions. Members do not receive services having a value commensurate with fees paid and therefore all membership contributions are recorded in revenue in the year they are received.

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, 2020

(Unaudited)

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 \$13,003 (\$9,368 in 2019) in commissions resulting from total vendor sales of \$47,800 (\$41,400 in 2019) and total vendor expenses of \$34,797 (\$32,032 in 2019).

Friends of Madge Lake, Duck Mountain Park Incorporated

Notes to the financial statements

December 31, 2020

(Unaudited)

4. Restricted net assets- Park project reserve

During the year, the Organization spent \$46,748 (\$32,051 in 2019) on various projects to enhance the Park. The board of directors approved transfers of \$40,180 (\$33,028 in 2019) from unrestricted operating reserve to the restricted park project reserve. \$5,021 (\$247 in 2019) 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:

Project description	Restricted funds, December 31, 2019 \$	Restricted fund transfers from operating reserve \$	2020 Project spending \$	Restricted fund transfers to operating reserve on project completion \$	Restricted funds, December 31, 2020 \$	Project spending, since incorporation \$
Trail/highway signs	8,810	—	(4,568)	(4,242)	—	10,758
Off leash dog park	—	—	—	—	—	4,753
Rec haul upgrade	—	—	—	—	—	1,615
Upgrade rec hall sound system	779	—	—	(779)	—	3,421
Memorial pole	—	—	—	—	—	5,900
Tennis/basketball courts resurfacing	2,000	40,180	(42,180)	—	—	42,180
Wake free zones	—	—	—	—	—	5,173
Ski hill support	—	—	—	—	—	5,000
Jubilee playground	4,141	—	—	—	4,141	—
	15,730	40,180	(46,748)	(5,021)	4,141	78,800

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:

	2020 \$	2019 \$
Fishing tournament	—	2,395
Ladies night fundraiser	—	7,595
Bingo night	—	3,000
Corporate sponsors	—	1,350
Nykolaishen golf tournament	—	4,141
Tailgate fundraiser	—	2,885
Smoke on the water fundraiser	—	23,100
General donations	2,313	—
	2,313	44,466

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.

Friends of Madge Lake, Duck Mountain Park Incorporated

Notes to the financial statements

December 31, 2020

(Unaudited)

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.

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.

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

Year ended December 31, 2020

(Unaudited)

	Revenue	Expenses	2020	2019
	\$	\$	\$	\$
Item sales	6,970	4,592	2,378	3,233
Confectionary	5,001	4,755	246	475
50 / 50	827	414	413	1,000
Cookbooks	491	—	491	1,275
Bottle / can deposit	583	—	583	599
SLGA Reimbursement	768	—	768	—
	14,640	9,761	4,879	6,582