

Friends of Fish Creek Provincial Park Society
Financial Statements
December 31, 2023

Management's Responsibility

To the Members of Friends of Fish Creek Provincial Park Society:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of Directors who are neither management nor employees of the Society. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Society's external auditors.

MNP LLP is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

A stylized signature in black ink, appearing to read 'Nic Blanchet', is written over a light blue circular logo with a white center.

Nic Blanchet
Executive Director

To the Members of Friends of Fish Creek Provincial Park Society:

Qualified Opinion

We have audited the financial statements of Friends of Fish Creek Provincial Park Society (the "Society"), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, 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 matters 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 Society as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Society derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded by the Society. Therefore, we were unable to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2023; current assets as at December 31, 2023; and net assets as at January 1 and December 31 for 2023.

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 Society in accordance with the 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 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 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.

In preparing the financial statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

Calgary, Alberta

June 21, 2024

MNP LLP

Chartered Professional Accountants

Friends of Fish Creek Provincial Park Society

Statement of Financial Position

As at December 31, 2023

	2023	2022
Assets		
Current		
Cash and cash equivalents (Note 3)	221,888	67,122
Restricted cash (Note 3)	146,347	281,148
Grants and accounts receivable	2,025	14,440
Prepaid expenses	6,845	10,098
Inventory	2,674	2,674
	379,779	375,482
Restricted cash and cash equivalents (Note 3)	47,080	49,610
Capital assets (Note 4)	102,244	59,239
	529,103	484,331
Liabilities		
Current		
Accounts payable and accruals (Note 5)	36,350	45,468
Deferred membership and program fees	23,452	22,668
Dedication Bench deposit	44,822	27,685
Deferred contribution (Note 6)	114,607	249,408
	219,231	345,229
Deferred contributions (Note 6)	47,080	49,610
Deferred contributions related to capital assets (Note 4)	48,200	54,963
	314,511	449,802
Net Assets		
Unrestricted	182,852	2,789
Internally restricted (Note 7)	31,740	31,740
	214,592	34,529
	529,103	484,331

Approved on behalf of the Board of Directors



Robert Morrin
Chair



Bryan Errmann, CPA
Treasurer

The accompanying notes are an integral part of these financial statements

Friends of Fish Creek Provincial Park Society

Statement of Operations

For the year ended December 31, 2023

	2023	2022
Revenue		
Government of Alberta Enhanced Partnership Program <i>(Note 6)</i>	307,752	168,166
Donations <i>(Note 8)</i>	118,284	91,485
Grant revenue	115,866	157,155
Casino and gaming revenue	86,523	4,379
Program fees	48,682	30,913
Dedication bench fees	43,603	36,506
Learning Naturally Program	43,063	6,094
Sponsorships	37,113	-
Fundraising <i>(Note 9)</i>	22,351	47,356
Members dues	17,904	19,393
Interest	1,190	3,615
Total revenue	842,331	565,062
Member and education programs expenses <i>(Note 10)</i>		
Programs and training	358,807	299,493
Fundraising	44,557	55,580
Dedication Benches	39,626	40,759
Learning Naturally Program	38,468	38,993
Public awareness	14,124	15,036
Amortization <i>(Note 4)</i>	12,768	5,000
Speaker series	6,547	6,662
	514,897	461,523
Administration expenses		
Salaries and wages	82,073	44,754
Office	28,964	28,292
Professional fees	23,127	23,357
Other	6,662	9,293
Online merchant service charges	6,545	5,069
	147,371	110,765
Total expenses	662,268	572,288
Excess (deficiency) of revenue over expenses	180,063	(7,226)

The accompanying notes are an integral part of these financial statements

Friends of Fish Creek Provincial Park Society
Statement of Changes in Net Assets

For the year ended December 31, 2023

	<i>Internally Restricted</i>	<i>Unrestricted</i>	2023	<i>2022</i>
Net assets, beginning of year	31,740	2,789	34,529	41,755
Excess (deficiency) of revenue over expenses	-	180,063	180,063	(7,226)
Net assets, end of year	31,740	182,852	214,592	34,529

The accompanying notes are an integral part of these financial statements

Friends of Fish Creek Provincial Park Society

Statement of Cash Flows

For the year ended December 31, 2023

	2023	2022
Cash provided by (used for) the following activities		
Operating		
Cash receipts from grants	558,088	372,288
Cash received from contributions	112,236	90,112
Cash receipts from membership fees	18,688	31,168
Cash receipts from unrestricted investment income	1,190	3,615
Cash paid for program service expenses	(616,994)	(527,595)
	73,208	(30,412)
Investing		
Purchase of capital assets	(55,773)	(4,276)
	17,435	(34,688)
Increase (decrease) in cash resources	17,435	(34,688)
Cash resources, beginning of year	397,880	432,568
Cash resources, end of year	415,315	397,880
Cash resources are composed of:		
Cash and cash equivalents	221,888	67,122
Restricted cash and cash equivalents - Current	146,347	281,148
Restricted cash and cash equivalents - Long-term	47,080	49,610
Cash and cash equivalents	415,315	397,880

The accompanying notes are an integral part of these financial statements

Friends of Fish Creek Provincial Park Society

Notes to the Financial Statements

For the year ended December 31, 2023

1. Incorporation and nature of the organization

Friends of Fish Creek Provincial Park Society (the "Society") is a charitable organization whose mission is to engage the community through education and awareness to conserve a truly unique naturalized urban park, known as Fish Creek Provincial Park in the city of Calgary, Alberta. The Society was incorporated under the Societies Act in the Province of Alberta in 1992 and, as a registered charity, is exempt from income taxes and may issue receipts to donors for tax-deductible donations.

The Society is dependent on its contributors and members to continue as a going concern.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles, specifically Canadian accounting standards for not-for-profit organizations ("ASNPO"). All amounts reported are in Canadian dollars.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of twelve months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Inventory

Inventory of merchandise held for resale and unsold dedication benches are valued at the lower of cost and net realizable value. Cost is determined by the first in, first out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs. Dedication bench inventory at December 31, 2023 was \$2,674 (2022 - \$2,674).

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition. A proportionate amount of amortization is recorded based on the month of the asset is put into use and in the year of disposal.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Automotive	straight-line	10 years
Equipment	straight-line	10 years

Revenue recognition

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

Program fees are recognized in the period in which the program is presented. Membership fees are recognized as revenue over the period to which they relate. Memberships paid in advance are reported as prepaid memberships and recognized as revenue the year in which they relate.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned. Dedication bench and brick pathway donations are recognized when installed. Funds received for benches and brick not yet installed are deferred. A portion of the dedication bench donations equal to the estimated future maintenance costs of the bench are deferred.

Friends of Fish Creek Provincial Park Society

Notes to the Financial Statements

For the year ended December 31, 2023

2. Significant accounting policies (Continued from previous page)

Contributed materials and services

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Society's operations and would otherwise have been purchased.

Volunteers contributed approximately 11,300 hours for the year ended December 31, 2023 (2022 - 12,900 hours) during the year to assist the Society in carrying out its delivery of programs. Because of the difficulty in determining their fair value, volunteer services are not recognized in the financial statements.

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of capital assets. Future dedication bench maintenance costs and the valuation of donated services and materials are estimated. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, are reported in earnings in periods in which they become known. Management has estimated the fair market value of certain "in-kind" revenue and expenses where the donors did not provide market values.

Financial instruments

The Society recognizes financial instruments when the Society becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated or issued in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Society may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Society has not made such an election during the year.

The Society subsequently measures all financial assets and liabilities at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Society assesses impairment of all its financial assets measured at cost or amortized cost. The Society groups assets for impairment testing when no asset is individually significant. Management considers whether the issuer is having significant financial difficulty or whether there has been a breach in contract in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Society determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Society reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenues over expenses in the year the reversal occurs.

Friends of Fish Creek Provincial Park Society

Notes to the Financial Statements

For the year ended December 31, 2023

3. Restricted cash

The Society holds a cashable guaranteed investment certificate in the amount of \$150,000 at December 31, 2023 (2022 - \$100,799). This certificate bears interest at 4.15% (2022 - 2.35%) and matures on October 14, 2024 (2022 - June 11, 2023). This certificate is restricted and supports future Enhanced Partnership Program expenditures.

At December 31, 2023, the long-term restricted cash and cash equivalent balance includes a cash balance of \$7,529 (2022 - \$11,580) and a redeemable guaranteed investment certificate totaling \$39,551 bearing interest at 5.00% and maturing on October 14, 2024 (2022 - \$38,030; 4.00%, maturing October 14, 2023). The certificate supports future dedication bench maintenance expenses.

4. Capital assets

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2023 Net book value</i>	<i>2022 Net book value</i>
Automotive	67,630	19,430	48,200	54,963
Equipment	60,049	6,005	54,044	4,276
	127,679	25,435	102,244	59,239

The Society received an in-kind donation of a truck with an estimated fair market value of \$nil (2022 - \$17,630). These donations have been recorded as capital assets, with a corresponding deferred contribution. Total donated capital assets net book value and corresponding deferred contributions amount to \$48,200 (2022 - \$59,239). Amortization expense related to capital assets and recognition of deferred capital contribution have each been recorded in the amount of \$12,768 (2022 - \$5,000).

5. Accounts payable and accruals

Included in accounts payable and accrued liabilities is \$nil (2022 - \$4,268) of government remittances payable.

6. Deferred contributions

Changes in deferred contribution balances are as follows:

	<i>Deferred contributions, beginning of the year</i>	<i>Restricted contributions received</i>	<i>Contributions recognized as revenue</i>	<i>Deferred contributions, end of the year</i>	<i>2022</i>
Government of Alberta Enhanced Partnership Program ("EPP")	76,079	250,000	(307,752)	18,327	76,079
WRRP Grant	36,196	-	(36,196)	-	36,196
Learning Naturally program	37,290	-	(33,305)	3,985	37,290
Dedication Benches - Long-term portion	49,610	-	(2,530)	47,080	49,610
Dedication Benches - Current portion	10,560	-	(330)	10,230	10,560
Brick Pathway program	1,515	10,225	(7,909)	3,831	1,515
Casino/gaming proceeds restricted by AGLC	87,768	26,989	(86,523)	28,234	87,768
Listening garden	-	50,000	-	50,000	-
	299,018	337,214	(474,545)	161,687	299,018

Friends of Fish Creek Provincial Park Society

Notes to the Financial Statements

For the year ended December 31, 2023

6. Deferred contributions *(Continued from previous page)*

The Government of Alberta Enhanced Partnership Program agreement was signed in July 2020. The program initially was set to conclude in 2023 but was extended for another three years and will continue to allow the Society to expand its current conservation, visitor information and educational programs. The program calls for total funding of \$1,230,000 after the extension in which is subject to the Society meeting the terms and conditions of the agreement. The initial funding of \$200,000 was received in July 2020 and the second \$200,000 payment was received in April 2021. The third payment of \$80,000 was received in March 2022. The fourth payment of \$250,000 was received in March 31, 2023. The fifth payment of \$250,000 is set to be received in March 2024 and the final payment of \$250,000 is to be received in March 2025. This funding is being deferred for accounting purposes and is recognized as revenue in the year in which the related expenses are incurred.

7. Internally restricted net assets

	2023	2022
Environmental education	1,740	1,740
Contingency reserve	30,000	30,000
	31,740	31,740

The Society maintains a contingency reserve to protect against the potential loss of grant and other revenue. The contingency reserve may be used upon the approval from the Board of Directors. This amount is included in the long-term restricted cash and cash equivalents balance at year end.

8. Donations

Donations include donations "in-kind" of \$38,370 (2022 - \$38,298) which consists primarily of office space and miscellaneous office supplies provided by the Government of Alberta.

9. Fundraising

Fundraising includes the sale of anniversary bricks of \$7,909 (2022 - \$12,177).

10. Allocation of administrative expenses

Salaries and benefits of \$307,874 (2022 - \$284,581) and donations in kind of \$4,350 (2022 - \$4,100) were allocated to member and education programs on the basis of time spent by each individual and use of space and materials as follows:

	2023	2022
Programs and training	229,631	194,660
Fundraising	41,262	50,623
Public awareness	14,124	15,036
Dedication benches	13,688	14,422
Learning Naturally program	6,972	7,278
Speaker series	6,547	6,662
	312,224	288,681