

Alberta Sport, Recreation, Parks and Wildlife Foundation

Financial Statements

March 31, 2009

**Alberta Sport, Recreation, Parks and Wildlife Foundation
Financial Statements
March 31, 2009**

Auditor's Report

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Auditor's Report

To the Members of the Alberta Sport, Recreation, Parks and Wildlife Foundation and the Minister of Tourism, Parks and Recreation

I have audited the statement of financial position of the Alberta Sport, Recreation, Parks and Wildlife Foundation as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Original Signed by Fred J. Dunn, FCA
Auditor General

Edmonton, Alberta
June 1, 2009

The official version of this Report of the Auditor General and the information the Report covers, is in print form.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Operations
For the year ended March 31, 2009
(in thousands)

	2009				2008	
	Budget	Unrestricted Fund	Restricted Fund	Endowment Restricted Fund	Total Actual	Total Actual Restated (Note 3)
Revenues (Schedule 1)						
Internal Government Transfers	\$ 25,120	\$ 25,120	\$ -	\$ -	\$ 25,120	\$ 23,618
Transfers from the Government of Canada	478	538	-	-	538	478
Investment Income	476	386	131	-	517	591
Premiums, Fees and Licences	90	202	-	-	202	216
Other Revenue	2,106	1,057	233	-	1,290	944
	<u>28,270</u>	<u>27,303</u>	<u>364</u>	<u>-</u>	<u>27,667</u>	<u>25,847</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 2 and 4)						
Provincial Programs	17,767	17,143	70	-	17,213	16,680
Alberta and Interprovincial Games	3,409	3,832	148	-	3,980	3,688
Active Lifestyles	1,930	2,105	-	-	2,105	2,047
High Performance Athlete Assistance	1,500	993	-	-	993	-
Municipal Recreation / Tourism Areas	1,493	1,474	-	-	1,474	1,494
Provincial and Regional Development	743	754	-	-	754	667
Percy Page Centre (Note 9)	478	347	-	-	347	329
Parks and Wildlife Ventures	450	211	21	-	232	324
Other Initiatives	105	32	22	-	54	125
Administration	403	403	6	-	409	368
	<u>28,278</u>	<u>27,294</u>	<u>267</u>	<u>-</u>	<u>27,561</u>	<u>25,722</u>
Net Operating Results	<u>\$ (8)</u>	9	97	-	106	125
Fund Balances at Beginning of Year		302	4,109	426	4,837	4,712
Fund Balances at End of Year		<u>\$ 311</u>	<u>\$ 4,206</u>	<u>\$ 426</u>	<u>\$ 4,943</u>	<u>\$ 4,837</u>

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Financial Position
As at March 31, 2009
(in thousands)

	2009	2008
		Restated (Note 3)
Assets		
Cash (Note 4)	\$ 2,619	\$ 3,379
Accounts Receivable (Note 5)	850	266
Prepaid Expenses and Inventory (Note 5)	72	53
	3,541	3,698
Restricted Cash (Note 7)	426	426
Tangible Capital Assets (Schedule 5)	2,330	2,334
	\$ 6,297	\$ 6,458
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 1,354	\$ 1,621
Fund Balances		
Unrestricted	311	302
Endowment Restricted (Note 7)	426	426
Restricted (Note 8)	4,206	4,109
	4,943	4,837
	\$ 6,297	\$ 6,458

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Cash Flows
For the year ended March 31, 2009
(in thousands)

	2009	2008
		Restated (Note 3)
Operating Transactions		
Net Operating Results	\$ 106	\$ 125
Non-cash Items included in Net Operating Results		
Amortization	12	8
	118	133
Increase in Accounts Receivable	(584)	(195)
(Increase) Decrease in Prepaid Expenses and Inventory	(19)	14
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(267)	1,151
Increase (Decrease) in Unearned Revenue	-	(27)
	(752)	1,076
Capital Transactions		
Acquisition of Tangible Capital Assets	(8)	(18)
	(760)	1,058
Increase (Decrease) in Cash	(760)	1,058
Cash, at Beginning of Year	3,805	2,747
Cash, at End of Year	\$ 3,045	\$ 3,805

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2009

Note 1 Authority and Purpose

The Alberta Sport, Recreation, Parks and Wildlife Foundation (Foundation) operates under the authority of the *Alberta Sport, Recreation, Parks and Wildlife Foundation Act*, Chapter A-34, Revised Statutes of Alberta 2000.

The purpose of the Foundation is to support enhancement of sport, recreation, parks and wildlife programs for all Albertans.

The Foundation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB).

(a) Reporting Entity

The reporting entity is the Alberta Sport, Recreation, Parks and Wildlife Foundation, which is part of the Ministry of Tourism, Parks and Recreation (Ministry) and for which the Minister of Tourism, Parks and Recreation is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister are accountable.

(b) Basis of Financial Reporting

Fund Accounting

Transactions are grouped, for accounting and reporting purposes, into funds in accordance with specified activities or objectives. These funds are described as follows:

- operating fund accounts for revenues and expenses associated with the primary activities of the Foundation;
- restricted fund accounts for non-government contributions received for which donors have specified the purpose, restricted interest earned, related expenses incurred, and funds restricted by the Board of Directors; and

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2009

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Fund Accounting (continued)

- endowment fund accounts for contributions received under various agreements with sponsors and matching funds provided by the Foundation. Interest earned on the existing endowment funds can only be used to fund various sport programs, and are therefore recorded as part of the restricted fund. The principal must remain intact.

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met and a reasonable estimate of the amounts can be made.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include amortization of tangible capital assets.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2009

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Incurring by Others

Services contributed by other entities in support of the Foundation's operations are disclosed in Schedule 4.

Assets

Financial assets of the Foundation are limited to financial claims, such as advances to and receivables from other organizations and individuals, as well as inventories held for resale.

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the first in, first out basis.

Assets acquired by right are not included. Tangible capital assets of the Foundation are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other tangible capital assets is \$5,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

Artworks are not recorded as assets. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2009

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

Note 3 Restatement of Prior Year Fund Balance (in thousands)

The Alberta Sport, Recreation, Parks and Wildlife Foundation received a contribution which was included in accounts receivable in the amount of \$2,300 in the prior year. Through a legal review process the receivable amount was deemed a perpetual trust, in which the foundation is entitled to the investment income only. Comparatives for 2008 have been restated as if the Foundation was only in receipt of investment income. The Fund balance on March 31, 2008 is made up as follows:

Fund Balance as previously reported	\$ 7,101
Transfer from Accounts Receivable	(2,300)
Transfer to Accounts Receivable Investment Income	36
 Fund Balance at March 31, 2008	 \$ 4,837

Note 4 Cash and Restricted Cash (in thousands)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2009, securities held by Fund have a time-weighted return of 3.0% per annum (2008 - 4.5% per annum).

Cash in the amount of \$1,729 (2008 - \$1,692) has been externally restricted and \$146 (2008 - \$143) has been internally restricted and is therefore not available to pay for operating expenses of the Foundation (Notes 7 and 8).

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2009

Note 5 Accounts Receivable, Prepaid Expenses and Inventory (in thousands)

	2009			2008
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
				Restated (Note 3)
Accounts Receivable	\$ 850	\$ -	\$ 850	\$ 266
Inventory	16	-	16	8
Prepaid Expenses	56	-	56	45
	<u>\$ 922</u>	<u>\$ -</u>	<u>\$ 922</u>	<u>\$ 319</u>

Accounts receivable are unsecured and non-interest bearing.

Note 6 Artworks (in thousands)

The Foundation has a collection of artworks consisting of 19 (2008 – 19) prints of the Waterfowl of North America Collection #1250 with an approximate value of \$5 (2008 – \$5). There were no artwork dispositions (2008 – Nil) or acquisitions (2008 – Nil) during the year.

Note 7 Endowment Restricted Fund (in thousands)

	2009	2008
Externally Restricted Contributions	\$ 228	\$ 228
Internally Restricted Matching Funds	198	198
	<u>\$ 426</u>	<u>\$ 426</u>

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2009

Note 8 Restricted Fund (in thousands)

	2009	2008
		Restated (Note 3)
Investment in Land and Buildings ^(a)	\$ 2,232	\$ 2,238
Externally Restricted Funds	1,828	1,728
Internally Restricted Funds	146	143
	\$ 4,206	\$ 4,109

(a) The land and buildings are governed by restrictions that require the Foundation to use these assets for its programs.

Note 9 Percy Page Centre

The Foundation operates the Percy Page Centre, Edmonton, to provide accommodation and office services to non-profit organizations. These organizations are charged for their use of office equipment, supplies and print shop facilities.

Note 10 Honoraria (in thousands)

	2009		2008	
	Honoraria ^(a)	Benefits and Allowances ^(b)	Total	Total
Board ^(c)				
Chair ^(d)	\$ -	\$ -	\$ -	\$ -
Other Members (10)	61	-	61	59
	\$ 61	\$ -	\$ 61	\$ 59

(a) The Foundation has no employees. Staff of the Department of Tourism, Parks and Recreation administer the Foundation. Disclosure of information on their salaries and benefits, a requirement under Treasury Board Directive 03/2004, is included in the financial statements of the Department of Tourism, Parks and Recreation.

(b) No benefits were provided to board members.

(c) Members appointed to the Foundation are paid honoraria for attending Foundation meetings at rates set by Ministerial Order. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Foundation duties.

(d) The Chair did not receive honoraria or benefits and allowances at his request.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2009

Note 11 Contractual Obligations (in thousands)

	2009	2008
Grant Agreements	\$ 320	\$ 2,971
Long-term Leases	272	326
Service Contracts	334	3
	\$ 926	\$ 3,300

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	Grant Agreements	Long-term Leases	Service Contracts	Total
2009 - 2010	\$ 120	\$ 83	\$ 334	\$ 537
2010 - 2011	150	89	-	239
2011 - 2012	50	79	-	129
2012 - 2013	-	15	-	15
2013 - 2014	-	6	-	6
	\$ 320	\$ 272	\$ 334	\$ 926

Note 12 Comparative Figures

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

Note 13 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to Financial Statement – Schedule 1
Revenues
For the year ended March 31, 2009
(in thousands)

	2009				2008	
	Budget	Unrestricted Fund	Restricted Fund	Endowment Restricted Fund	Total Actual	Total Actual Restated (Note 3)
Internal Government Transfers						
Transfers from the Department of Tourism, Parks and Recreation	\$ 24,970	\$ 24,970	\$ -	\$ -	\$ 24,970	\$ 23,470
Transfers from the Alberta Foundation for the Arts	150	150	-	-	150	148
	<u>25,120</u>	<u>25,120</u>	<u>-</u>	<u>-</u>	<u>25,120</u>	<u>23,618</u>
Transfers from the Government of Canada	478	538	-	-	538	478
Investment Income	476	386	131	-	517	591
Premiums, Fees and Licences						
Alberta Games Registration Fees	50	188	-	-	188	148
Alberta's Future Leaders Fees	15	14	-	-	14	19
Conference Fees	25	-	-	-	-	49
	<u>90</u>	<u>202</u>	<u>-</u>	<u>-</u>	<u>202</u>	<u>216</u>
Other Revenue						
Donations	1,570	631	231	-	862	543
Miscellaneous	35	27	-	-	27	50
Refunds of Expenses	20	47	-	-	47	16
Sales						
Percy Page Centre	481	352	-	-	352	322
Parks and Wildlife Ventures	-	-	2	-	2	13
	<u>481</u>	<u>352</u>	<u>2</u>	<u>-</u>	<u>354</u>	<u>335</u>
	<u>2,106</u>	<u>1,057</u>	<u>233</u>	<u>-</u>	<u>1,290</u>	<u>944</u>
	<u>\$ 28,270</u>	<u>\$ 27,303</u>	<u>\$ 364</u>	<u>\$ -</u>	<u>\$ 27,667</u>	<u>\$ 25,847</u>

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to Financial Statements – Schedule 2
Expenses – Directly Incurred Detailed By Object
For the year ended March 31, 2009
(in thousands)

	<u>2009</u>		<u>2008</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Honoraria (Note 10)	\$ 11	\$ 61	\$ 59
Supplies and Services	2,359	2,134	2,335
Supplies and Services from Support Service Arrangements with Related Parties ^(a)	2,566	2,635	2,245
Grants	23,334	22,719	21,075
Amortization of Tangible Capital Assets	8	12	8
	<u>\$ 28,278</u>	<u>\$ 27,561</u>	<u>\$ 25,722</u>

(a) The Foundation receives financial and program related administrative services from the Department of Tourism, Parks and Recreation.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to Financial Statements – Schedule 3
Related Party Transactions
For the year ended March 31, 2009
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Revenues				
Internal Government Transfers	\$ 24,970	\$ 23,470	\$ 150	\$ 148
Expenses – Directly Incurred				
Other services	\$ -	\$ -	\$ 21	\$ 28
Accounts Receivable	\$ -	\$ 6	\$ -	\$ -
Accounts Payable	\$ 4	\$ 3	\$ -	\$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Expenses – Incurred by Others				
Accommodation	\$ -	\$ -	\$ 1,025	\$ 970
Legal	-	-	-	4
Other	76	190	-	-
	<u>\$ 76</u>	<u>\$ 190</u>	<u>\$ 1,025</u>	<u>\$ 974</u>

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to Financial Statements – Schedule 4
Allocated Costs
For the year ended March 31, 2009
(in thousands)

Program	2009				2008	
	Expenses – Incurred by Others					
	Expenses ^(a)	Accommodation Costs ^(b)	Legal ^(c)	Other Services ^(d)	Total Expenses	Total Expenses
Provincial Programs	\$ 17,213	\$ 25	\$ -	\$ 24	\$ 17,262	\$ 16,749
Alberta and Interprovincial Games	3,980	107	-	27	4,114	3,862
Active Lifestyles	2,105	6	-	3	2,114	2,057
High Performance Athlete Assistance	993	-	-	-	993	-
Municipal Recreation / Tourism Areas	1,474	6	-	4	1,484	1,505
Provincial and Regional Development	754	-	-	1	755	669
Percy Page Centre (Note 8)	347	863	-	3	1,213	1,184
Parks and Wildlife Ventures	232	5	-	5	242	341
Other Initiatives	54	-	-	1	55	127
Administration	409	13	-	8	430	392
	<u>\$ 27,561</u>	<u>\$ 1,025</u>	<u>\$ -</u>	<u>\$ 76</u>	<u>\$ 28,662</u>	<u>\$ 26,886</u>

(a) Expenses – Directly Incurred as per Statement of Operations.

(b) Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 3, allocated by square footage.

(c) Costs shown for Legal Services on Schedule 3, allocated by estimated costs incurred by each program.

(d) Costs shown for Other Services on Schedule 3, allocated by estimated costs incurred by each program.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to Financial Statements – Schedule 5
Tangible Capital Assets
For the year ended March 31, 2009
(in thousands)

	2009				2008	
	Unrestricted Assets		Restricted Assets ^(a)		Total	Total
	Land	Equipment	Land	Buildings		
Estimated Useful Life	Indefinite	5 - 10 years	Indefinite	40 years		
Historical Cost						
Beginning of Year	\$ 64	\$ 33	\$ 2,050	\$ 255	\$ 2,402	\$ 2,384
Additions	-	8	-	-	8	18
Disposals, Including Write-Downs	-	-	-	-	-	-
	<u>\$ 64</u>	<u>\$ 41</u>	<u>\$ 2,050</u>	<u>\$ 255</u>	<u>\$ 2,410</u>	<u>\$ 2,402</u>
Accumulated Amortization						
Beginning of Year	\$ -	\$ 2	\$ -	\$ 66	\$ 68	\$ 60
Amortization Expense	-	6	-	6	12	8
Effect of Disposal	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ 72</u>	<u>\$ 80</u>	<u>\$ 68</u>
Net Book Value at End of Year	<u>\$ 64</u>	<u>\$ 33</u>	<u>\$ 2,050</u>	<u>\$ 183</u>	<u>\$ 2,330</u>	
Net Book Value at Beginning of Year	<u>\$ 64</u>	<u>\$ 31</u>	<u>\$ 2,050</u>	<u>\$ 189</u>		<u>\$ 2,334</u>

^(a) Restricted for use in the Parks and Wildlife Ventures program.