

Ministry of Tourism, Parks and Recreation

Consolidated Financial Statements

March 31, 2009

**Ministry of Tourism, Parks, and Recreation
Consolidated Financial Statements
March 31, 2009**

Auditor's Report

Consolidated Statement of Operations

Consolidated Statement of Financial Position

Consolidated Statement of Cash Flows

Notes to the Consolidated Financial Statements

Schedule 1 – Revenues

Schedule 2 – Dedicated Revenue Initiatives

Schedule 3 – Expenses – Directly Incurred Detailed by Object

Schedule 4 – Budget

Schedule 5 – Related Party Transactions

Schedule 6 – Allocated Costs

Schedule 7 – Tangible Capital Assets



Auditor's Report

To the Members of the Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of Tourism, Parks and Recreation as at March 31, 2009 and the consolidated statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Ministry'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 consolidated financial statements present fairly, in all material respects, the financial position of the Ministry 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.

Ministry of Tourism, Parks and Recreation
Consolidated Statement of Operations
For the year ended March 31, 2009
(in thousands)

	2009		2008
	Budget (Schedule 4)	Actual	Actual Restated (Note 3)
Revenues (Schedules 1 and 2)			
Internal Government Transfers	\$ 95,620	\$ 95,620	\$ 114,118
Transfers from the Government of Canada	493	541	480
Investment Income	476	535	591
Premiums, Fees and Licences	7,081	7,336	6,698
Other Revenue	4,698	4,201	3,283
	<u>108,368</u>	<u>108,233</u>	<u>125,170</u>
Expenses – Directly Incurred (Note 2(c) and Schedules 3 and 6)			
Ministry Support Services	7,628	6,927	5,364
Tourism	66,229	63,944	56,817
Parks	122,685	117,328	63,946
Recreation and Sport	51,505	50,663	119,970
	<u>248,047</u>	<u>238,862</u>	<u>246,097</u>
Valuation Adjustments			
Provision for Environmental Obligations	-	1,073	608
Provision for Doubtful Accounts	-	7	8
Provision for Vacation Pay and Banked Overtime	110	423	394
	<u>110</u>	<u>1,503</u>	<u>1,010</u>
Total Expenses	<u>248,157</u>	<u>240,365</u>	<u>247,107</u>
Gain (Loss) on Disposal of Tangible Capital Assets	<u>2,300</u>	<u>(72)</u>	<u>(302)</u>
Net Operating Results	<u>\$ (137,489)</u>	<u>\$ (132,204)</u>	<u>\$ (122,239)</u>

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

Ministry of Tourism, Parks and Recreation
Consolidated Statement of Financial Position
As at March 31, 2009
(in thousands)

	2009	2008
		Restated (Note 3)
Assets		
Cash (Note 5)	\$ 2,651	\$ 3,428
Accounts Receivable, Prepaid Expenses and Inventory (Note 6)	1,229	627
	3,880	4,055
Restricted Cash (Note 8)	426	426
Tangible Capital Assets (Schedule 7)	368,324	335,503
	\$ 372,630	\$ 339,984
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 20,703	\$ 30,936
Unearned Revenue	528	362
	21,231	31,298
Net Assets		
Net Assets at Beginning of Year	308,686	269,997
Net Operating Results	(132,204)	(122,239)
Net Financing Provided from General Revenues	174,917	160,928
	351,399	308,686
Net Assets at End of Year (Note 8)	\$ 372,630	\$ 339,984

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

Ministry of Tourism, Parks and Recreation
Consolidated Statement of Cash Flows
For the year ended March 31, 2009
(in thousands)

	2009	2008
		Restated (Note 3)
Operating Transactions		
Net Operating Results	\$ (132,204)	\$ (122,239)
Non-cash Items included in Net Operating Results:		
Amortization	11,216	10,542
Loss on Disposal of Tangible Capital Assets	72	302
Valuation Adjustments	1,010	1,010
	(119,906)	(110,385)
Increase (Decrease) in Accounts Receivable, Prepaid Expenses and Inventories before Valuation Adjustments	(600)	136
(Increase) Decrease in Accounts Payable and Accrued Liabilities before Valuation Adjustments	(11,235)	5,549
Increase in Unearned Revenue	167	62
Cash Applied to Operating Transactions	<u>(131,574)</u>	<u>(104,638)</u>
Capital Transactions		
Acquisition of Tangible Capital Assets	(44,211)	(49,897)
Proceeds on Disposal of Tangible Capital Assets	261	83
Transfers of Tangible Capital Assets	(170)	(5,404)
Cash Applied to Capital Transactions	<u>(44,120)</u>	<u>(55,218)</u>
Financing Transactions		
Net Financing Provided from General Revenues	174,917	160,928
Increase (Decrease) in Cash	(777)	1,072
Cash, at Beginning of Year	3,854	2,782
Cash, at End of Year	<u>\$ 3,077</u>	<u>\$ 3,854</u>

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

**Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2009**

Note 1 Authority and Purpose

The Minister of Tourism, Parks and Recreation has, by the *Government Organization Act* and its regulations, been designated responsible for various Acts. To fulfill these responsibilities, the Minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also listed in Note 2(a). Together these organizations form the Ministry of Tourism, Parks and Recreation (Ministry).

The purpose of the Ministry is to enhance and preserve the quality of life for Albertans. This is done by:

- managing Alberta's provincial parks and protected areas;
- promoting recreational and sport opportunities;
- facilitating tourism marketing and development.

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 Ministry of Tourism, Parks and Recreation. The *Government Accountability Act* defines a Ministry as including the Department and any Provincial agency and Crown-controlled organization for which the Minister is responsible.

These consolidated financial statements include the accounts of the following organizations:

<u>Organization</u>	<u>Authority</u>
Department of Tourism, Parks and Recreation	<i>Government Organization Act</i>
Alberta Sport, Recreation, Parks and Wildlife Foundation	<i>Alberta Sport, Recreation, Parks and Wildlife Foundation Act</i>

All ministries of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance and Enterprise. All cash receipts of ministries are deposited into the Fund and all cash disbursements made by the ministries are paid from the Fund. Net Financing Provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2009

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

(b) Basis of Consolidation

The accounts of the organizations listed in Note 2(a) above have been consolidated. Revenue and expense transactions, investing and financing transactions, and related asset and liability accounts between the consolidated organizations were eliminated upon consolidation.

(c) Basis of Financial Reporting

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.

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues are shown as credits or recoveries in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual dedicated revenues exceed budget, the Ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Ministry's dedicated revenue initiatives.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2009

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

(c) Basis of Financial Reporting (continued)

Expenses

Directly Incurred

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

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay and environmental obligations.

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

Incurred by Others

Services contributed by other entities in support of the Ministry's operations are disclosed in Schedule 6.

Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other 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.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2009

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

(c) Basis of Financial Reporting (continued)

Assets acquired by right are not included. Tangible capital assets of the Ministry 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.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

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.

Environmental obligations are recorded as liabilities when there is little or no discretion to avoid settlement of the obligation and a reasonable estimate of the amount can be made.

Net Assets

Net assets represent the difference between the carrying value of assets held by the Ministry and its liabilities.

Restricted funds and endowment funds (Note 8) are considered appropriations from net assets and are reported as net assets.

An externally restricted fund accounts for non-government contributions, which can only be used for the purpose specified by the donor.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2009

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

(c) Basis of Financial Reporting (continued)

Net Assets (continued)

An internally restricted fund accounts for funds restricted by the Ministry Foundation for either matching non-government contributions, which can only be used for an identified purpose, or for retaining an ongoing funding capability.

An endowment fund accounts for contributions received under various agreements with sponsors and matching funds may be provided by Ministry Foundation. In addition, the endowment fund can include internally restricted funds to be used for identified purposes, or for retaining an ongoing funding capability.

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.

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Environmental obligations are included in accounts payable and accrued liabilities in the amount of \$1,480 (2008 – \$907) based on management's best estimates that reflect the most probable course of action. Increased construction costs, or other unanticipated changes may affect these estimates.

**Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2009**

Note 3 Government Reorganization/Program Transfers (in thousands)

The Ministry of Tourism, Parks and Recreation was established as a result of restructuring of government ministries announced on March 12, 2008. The Ministry of Tourism, Parks, Recreation and Culture was split into the Ministry of Tourism, Parks and Recreation and the Ministry of Culture and Community Spirit. Comparatives for 2008 have been restated as if the Ministry had always been assigned with its current responsibilities. Net assets on March 31, 2007 are made up as follows:

Net Assets as previously reported	\$ 283,101
Transfer to the Ministry of Culture and Community Spirit	(12,854)
Transfer to the Ministry of Employment and Immigration	<u>(250)</u>
Net Assets at March 31, 2007	<u><u>\$ 269,997</u></u>

Based on an agreement between the Ministries of Service Alberta and Tourism, Parks and Recreation, effective April 1, 2008, the Ministry of Tourism, Parks and Recreation transferred the budgetary responsibility for the functional reporting of information technology services to the Ministry of Service Alberta. This resulted in the restatement of comparative figures for 2008 which increased Net Operating Results by \$1,099 and decreased Net Financing provided from General Revenues by \$1,099.

Note 4 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	<u>36</u>
Fund Balance at March 31, 2008	<u><u>\$ 4,837</u></u>

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2009

Note 5 Cash and Restricted Cash (in thousands)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. 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.

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

Note 6 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	\$ 1,244	\$ 101	\$ 1,143	\$ 530
Advances	14	-	14	-
Inventory	16	-	16	8
Prepaid Expenses	56	-	56	45
Refunds from Suppliers	-	-	-	44
	\$ 1,330	\$ 101	\$ 1,229	\$ 627

Accounts receivable are unsecured and non-interest bearing.

Note 7 Artworks (in thousands)

The Ministry 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.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2009

Note 8 Net Assets (in thousands)

	<u>2009</u>	<u>2008</u>
		Restated (Note 3)
Unrestricted Funds	\$ 346,767	\$ 304,151
Endowment Funds	426	426
Externally Restricted Funds	4,060	3,966
Internally Restricted Funds	146	143
	<u>\$ 351,399</u>	<u>\$ 308,686</u>

Note 9 Contractual Obligations (in thousands)

	<u>2009</u>	<u>2008</u>
Capital Construction Contracts	\$ 4,821	\$ 8,756
Grant Agreements	855	10,096
Long-term Leases	538	1,354
Service Contracts	38,959	45,360
	<u>\$ 45,173</u>	<u>\$ 65,566</u>

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

	<u>Capital Construction Contracts</u>	<u>Grant Agreements</u>	<u>Long-term Leases</u>	<u>Service Contracts</u>	<u>Total</u>
2009 - 2010	\$ 4,821	\$ 405	\$ 216	\$ 34,416	\$ 39,858
2010 - 2011	-	400	222	1,369	1,991
2011 - 2012	-	50	79	1,240	1,369
2012 - 2013	-	-	15	915	930
2013 - 2014	-	-	6	754	760
Thereafter	-	-	-	265	265
	<u>\$ 4,821</u>	<u>\$ 855</u>	<u>\$ 538</u>	<u>\$ 38,959</u>	<u>\$ 45,173</u>

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2009

Note 10 Contingent Liabilities (in thousands)

At March 31, 2009 the Department is a defendant in three legal claims (2008 - six legal claims). Two of these claims have specified amounts totalling \$5,201 and the remaining one has no specified amount (2008 – five claims with specified amounts of \$12,306 and one with no specified amount). These claims are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Note 11 Trust Funds Under Administration (in thousands)

The Ministry administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the fund and administers it for the purposes of various trusts, they are not included in the Ministry's financial statements.

As at March 31, 2009, the ministry administered the following trust fund:

	2009	2008
Parks General Trust and Performance Deposits	\$ 795	\$ 594

In addition to the above trust fund under administration, the Ministry holds bank guarantees in the form of letters of credit in the amount of \$40,827 (2008 – \$26,378).

Note 12 Benefit Plans (in thousands)

The Ministry participates in the multi-employer Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$2,868 for the year ended March 31, 2009 (2008 – \$2,545).

At December 31, 2008, the Management Employees Pension Plan reported a deficiency of \$568,574 (2007 – \$84,341) and the Public Service Pension Plan reported a deficiency of \$1,187,538 (2007 – \$92,509 as restated). At December 31, 2008, the Supplementary Retirement Plan for Public Service Managers had a surplus of \$7,111 (2007 – surplus of \$1,510).

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2009

Note 12 Benefit Plans (continued)

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2009, the Bargaining Unit Plan reported an actuarial deficiency of \$33,540 (2008 – \$6,319) and the Management, Opted Out and Excluded Plan an actuarial deficiency of \$1,051 (2008 – actuarial surplus of \$7,874). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 13 Other Business Relationships (in thousands)

The Ministry has two agreements with Travel Alberta International Inc. (TAI), a not-for-profit Corporation jointly owned by Edmonton Economic Development Corporation and Tourism Calgary - Calgary Convention & Visitors Bureau, to carry out international tourism marketing on behalf of the Ministry. The primary agreement, which expires March 31, 2010, provides for international marketing services worldwide. A secondary agreement, which expired March 31, 2009, focused on the development and implementation of tourism marketing programs and activities in the US Meetings, Conventions & Incentive Travel (MCIT) market. The nature of these arrangements is such that the Ministry exercises significant influence over the strategic operating, capital, investing and financing activities of TAI. During the year, the Ministry acquired tourism marketing services totalling \$27,086 (2008 – \$24,539) from TAI, of which \$1,120 (2008 – \$2,397) was payable to TAI as at March 31, 2009. These amounts are included in the Ministry's financial statements.

Note 14 Subsequent Events

Travel Alberta was established by the *Travel Alberta Act* enacted on June 3, 2008. Travel Alberta will commence operations on April 1, 2009. The Ministry will transfer the agreed upon Tourism Marketing and Travel Alberta programs to the corporation along with the associated budgets, operating expenses, assets, liabilities and net assets.

Note 15 Comparative Figures

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

Note 16 Approval of Consolidated Financial Statements

The consolidated financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 1
Revenues
For the year ended March 31, 2009
(in thousands)

	<u>2009</u>		<u>2008</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual Restated (Note 3)</u>
Internal Government Transfers			
Transfer from the Lottery Fund	95,470	95,470	\$ 113,970
Transfer from Alberta Foundation for the Arts	150	150	148
	<u>95,620</u>	<u>95,620</u>	<u>114,118</u>
Transfers from the Government of Canada	<u>493</u>	<u>541</u>	<u>480</u>
Investment Income	<u>476</u>	<u>535</u>	<u>591</u>
Premiums, Fees and Licences			
Camping Fees	6,098	5,502	4,527
Lands and Grazing	893	954	752
Other	90	880	1,419
	<u>7,081</u>	<u>7,336</u>	<u>6,698</u>
Other Revenue			
Donations	1,570	862	544
Miscellaneous	2,207	2,467	2,077
Refunds of Expenses	440	441	327
Sales	481	431	335
	<u>4,698</u>	<u>4,201</u>	<u>3,283</u>
Total Revenues	<u>\$ 108,368</u>	<u>\$ 108,233</u>	<u>\$ 125,170</u>

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 2
Dedicated Revenue Initiatives
For the year ended March 31, 2009
(in thousands)

	2009		
	Authorized Dedicated Revenues	Actual Dedicated Revenues^(a)	Excess
Parks Infrastructure Management ^(b)	\$ 8,023	\$ 8,233	\$ 210
Park Operations ^(c)	1,155	1,251	96
	<u>\$ 9,178</u>	<u>\$ 9,484</u>	<u>\$ 306</u>

- ^(a) Revenues from dedicated revenue initiatives are included in the Ministry's revenues in the Statement of Operations and Schedule 1.
- ^(b) Parks collects various fees and other revenues that are used to partially offset the cost of providing services. These include fees for the use of campgrounds, park facilities and lands, heritage appreciation services (e.g. interpretive bus tours), as well as contributions, sponsorships, donations, grants and payments by corporations, private sector operators, foundations, individuals and others.
- ^(c) Parks collects a levy for facility redevelopment.

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 3
Expenses – Directly Incurred Detailed By Object
For the year ended March 31, 2009
(in thousands)

	2009		2008
	Budget	Actual	Actual Restated (Note 3)
Voted			
Salaries, Wages and Employee Benefits	\$ 48,923	\$ 45,071	\$ 41,209
Supplies and Services	82,047	79,333	71,656
Supplies and Services from Support Service Arrangements with Related Parties ^(a)	-	1,392	72
Grants	104,159	101,748	122,539
Financial Transactions and Other	93	102	78
Amortization of Tangible Capital Assets	12,825	11,216	10,542
	\$ 248,047	\$ 238,862	\$ 246,096
Statutory			
Valuation Adjustments			
Provision for Doubtful Accounts	\$ -	\$ 7	\$ 8
Provision for Environmental Obligations	-	1073	608
Provision for Vacation Pay and Banked Overtime	110	423	394
	\$ 110	\$ 1,503	\$ 1,010

^(a) The Ministry received Freedom of Information and Privacy (FOIP) services from the Ministry of Finance and Enterprise and revenue and accounts receivable services from the Ministry of Energy.

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 4
Budget
For the year ended March 31, 2009
(in thousands)

	2008-09 Estimates	Adjustment	2008-09 Budget	Authorized Supplementary	2008-09 Authorized Budget
Revenues					
Internal Government Transfers	\$ 95,620	\$ -	\$ 95,620	\$ -	\$ 95,620
Transfers from the Government of Canada	493	-	493	-	493
Investment Income	476	-	476	-	476
Premiums, Fees and Licences	7,081	-	7,081	-	7,081
Other Revenue	4,698	-	4,698	-	4,698
	<u>108,368</u>	<u>-</u>	<u>108,368</u>	<u>-</u>	<u>108,368</u>
Expenses – Directly Incurred					
Voted					
Ministry Support Services	7,628	-	7,628	-	7,628
Tourism	66,229	-	66,229	-	66,229
Parks	122,685	-	122,685	(3,425) ^(a)	119,260
Recreation and Sport	51,505	-	51,505	300 ^(b)	51,805
	<u>248,047</u>	<u>-</u>	<u>248,047</u>	<u>(3,125)</u>	<u>244,922</u>
Statutory					
Valuation Adjustments					
Provision for Doubtful Accounts	-	-	-	-	-
Provision for Environmental Obligations	-	-	-	-	-
Provision for Vacation Pay and Banked Overtime	110	-	110	-	110
	<u>110</u>	<u>-</u>	<u>110</u>	<u>-</u>	<u>110</u>
Gain (Loss) on Disposal of Tangible Capital Assets	2,300	-	2,300	-	2,300
Net Operating Results	<u>\$ (137,489)</u>	<u>\$ -</u>	<u>\$ (137,489)</u>	<u>\$ 3,125</u>	<u>\$ (134,364)</u>
Equipment/Inventory Purchases	<u>\$ 1,543</u>	<u>\$ -</u>	<u>\$ 1,543</u>	<u>\$ -</u>	<u>\$ 1,543</u>
Capital Investment	<u>\$ 34,136</u>	<u>\$ -</u>	<u>\$ 34,136</u>	<u>\$ 4,072</u> ^(c)	<u>\$ 38,208</u>

^(a) As part of Treasury Board third quarter decisions February 9, 2009, Treasury Board acknowledged the lapse of \$2,500 in nominal sum disposals, and acknowledged the lapse of \$925 in amortization expense.

^(b) A supplementary estimate of \$300 was approved for the Community Development Trust and transferred from Finance and Enterprise on December 4, 2008.

^(c) A supplementary estimate of \$4,072 was approved to carry forward from the 2007-08 capital investment budget on July 21, 2008.

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 5
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. Related parties also include management in the Ministry.

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

	Other Entities	
	2009	2008
		Restated (Note3)
Revenues		
Internal Government Transfers	\$ 95,620	\$ 114,118
Expenses – Directly Incurred		
Other Services	\$ 3,017	\$ 1,968
Tangible Capital Assets Transferred From		
Others	\$ 170	\$ 5,404

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

The Ministry 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 consolidated financial statements but are disclosed in Schedule 6.

	Other Entities	
	2009	2008
Expenses – Incurred by Others		
Accommodation	\$ 5,222	\$ 5,810
Internal Audit	-	61
Legal	344	340
Other	2,703	-
Parks Maintenance	1,940	1,573
	<u>\$ 10,209</u>	<u>\$ 7,784</u>

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 6
Allocated Costs
For the year ended March 31, 2009
(in thousands)

Program	2009					2008			Total Expenses Restated (Note 3)	
	Expenses – Incurred by Others					Valuation Adjustments ^(f)				
	Expenses ^(a)	Accommodation Costs ^(b)	Legal Services ^(c)	Other Services ^(d)	Parks Maintenance ^(e)	Provision for Doubtful Accounts	Provision for Environmental Obligations	Provision for Vacation Pay and Banked Overtime		Total Expenses
Ministry Support Services	\$ 6,927	\$ 401	\$ 37	\$ 291	\$ -	\$ -	\$ -	\$ 28	\$ 7,68	\$ 5,657
Tourism	63,944	1,138	123	274	-	-	-	45	65,52	58,520
Parks	117,328	2,560	167	1,934	1,940	7	1,073	317	125,32	69,519
Recreation and Sport	50,663	1,123	17	204	-	-	-	33	52,04	144,478
	<u>\$ 238,862</u>	<u>\$ 5,222</u>	<u>\$ 344</u>	<u>\$ 2,703</u>	<u>\$ 1,940</u>	<u>\$ 7</u>	<u>\$ 1,073</u>	<u>\$ 423</u>	<u>\$ 250,57</u>	<u>\$ 278,174</u>

^(a) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.

^(b) Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 5, allocated by square footage.

^(c) Costs shown for Legal Services on Schedule 5, allocated by estimated costs incurred by each program.

^(d) Costs shown for Other Services on Schedule 5, allocated by estimated costs incurred by each program.

^(e) The Department of Infrastructure and Transportation provided road and bridge maintenance to Parks. Costs shown for Parks Maintenance on Schedule 5, allocated to the program.

^(f) Valuation Adjustments as per Statement of Operations. Environmental Obligations, Vacation Pay and Banked Overtime, and Doubtful Accounts provision included in Valuation Adjustments were allocated as follows:

- Provision for Doubtful Accounts Provision – allocated to the program.
- Provision for Environmental Obligations – allocated to the program.
- Provision for Vacation Pay and Banked Overtime – allocated to the program by employee.

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 7
Tangible Capital Assets
For the year ended March 31, 2009
Year ended March 31, 2009
(in thousands)

	2009								2008	
	General Capital Assets					Infrastructure Assets				
	Land	Buildings	Computer Hardware and Software	Equipment ^(a)	Other	Bridges	Land Improvements	Highways and Roads	Total	Total
Estimated Useful Life	Indefinite	20-40 years	5-8 years	3-10 years	20 years	40 years	40 years	40 years		Restated (Note 3)
Historical Cost ^(b)										
Beginning of Year	\$ 109,099	\$ 168,747	\$ 1,999	\$ 27,982	\$ 16,128	\$ 3,013	\$ 176,666	\$ 54,341	\$ 557,975	\$ 504,457
Additions	-	15,066	7,101	4,238	282	77	9,990	7,457	44,211	49,897
Disposals, Including Write-Downs	-	(1,142)	(20)	(1,875)	(13)	-	-	-	(3,050)	(1,783)
Transfers to (from) Ministry	-	-	202	(32)	-	-	-	-	170	5,404
	<u>\$109,099</u>	<u>\$ 182,671</u>	<u>\$ 9,282</u>	<u>\$ 30,313</u>	<u>\$ 16,397</u>	<u>\$ 3,090</u>	<u>\$ 186,656</u>	<u>\$ 61,798</u>	<u>\$ 599,306</u>	<u>\$ 557,975</u>
Accumulated Amortization										
Beginning of Year	\$ -	\$ 71,100	\$ 1,249	\$ 12,995	\$ 15,873	\$ 914	\$ 84,891	\$ 35,450	\$ 222,472	\$ 213,329
Amortization Expense	\$ -	\$ 3,977	\$ 163	\$ 1,305	\$ 55	\$ 44	\$ 4,070	\$ 1,602	\$ 11,216	10,542
Effect of Disposals	-	(815)	(20)	(1,861)	(1)	-	-	-	(2,697)	(1,399)
Effect of Transfer to (from) Ministry	-	-	-	(9)	-	-	-	-	(9)	-
	<u>\$ -</u>	<u>\$ 74,262</u>	<u>\$ 1,392</u>	<u>\$ 12,430</u>	<u>\$ 15,927</u>	<u>\$ 958</u>	<u>\$ 88,961</u>	<u>\$ 37,052</u>	<u>\$ 230,982</u>	<u>\$ 222,472</u>
Net Book Value at March 31, 2009	<u>\$109,099</u>	<u>\$ 108,409</u>	<u>\$ 7,890</u>	<u>\$ 17,883</u>	<u>\$ 470</u>	<u>\$ 2,132</u>	<u>\$ 97,695</u>	<u>\$ 24,746</u>	<u>\$ 368,324</u>	
Net Book Value at March 31, 2008	<u>\$109,099</u>	<u>\$ 97,647</u>	<u>\$ 750</u>	<u>\$ 14,987</u>	<u>\$ 255</u>	<u>\$ 2,098</u>	<u>\$ 91,776</u>	<u>\$ 18,891</u>		<u>\$ 335,503</u>

^(a) Equipment includes network switches and routers, vehicles, heavy equipment, fire protection equipment, office equipment and furniture, and other equipment.

^(b) Historical cost includes work-in-progress at March 31, 2009 totaling \$63,750 (2008 - \$61,615) comprised of: buildings \$31,311 (2008 - \$31,783); computer hardware and software \$6,846 (2008 - \$138); equipment \$1,788 (2008 - \$8,214); other Nil (2008 - \$191); land improvements \$20,531 (2008 - \$19,371); highways \$3,258 (2008 - \$1,823) and bridges \$16 (2008 - \$95).

