

THE FRIENDS OF PRESQU'ILE PARK

FINANCIAL STATEMENTS

December 31, 2023

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of
THE FRIENDS OF PRESQU'ILE PARK

We have reviewed the accompanying financial statements of **THE FRIENDS OF PRESQU'ILE PARK** which comprise the statement of financial position as at December 31, 2023, and the statements of operations and 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 **THE FRIENDS OF PRESQU'ILE PARK** as at December 31, 2023, 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.



Trenton, Ontario
June 8, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

THE FRIENDS OF PRESQU'ILE PARK
(Incorporated without share capital under the laws of Ontario)
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

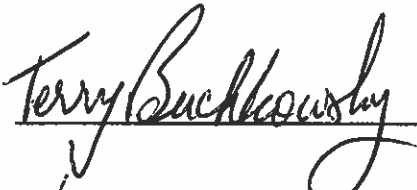
ASSETS

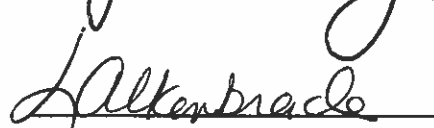
	<u>2023</u>	<u>2022</u>
CURRENT ASSETS		
Cash	\$ 47,505	\$ 34,746
Accounts receivable	1,760	-
Government remittances recoverable	-	208
Inventory	4,987	9,094
Prepaid expenses	<u>3,147</u>	<u>3,096</u>
	57,399	47,144
INVESTMENTS - note 4	<u>213,020</u>	<u>207,607</u>
	<u><u>\$ 270,419</u></u>	<u><u>\$ 254,751</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 7,366	\$ 4,916
Government remittances payable	2,146	-
Deferred contributions - note 5	<u>52,957</u>	<u>53,163</u>
	<u>62,469</u>	<u>58,079</u>
NET ASSETS		
Internally restricted - note 6	132,000	134,000
Unrestricted	<u>75,950</u>	<u>62,672</u>
	<u>207,950</u>	<u>196,672</u>
	<u><u>\$ 270,419</u></u>	<u><u>\$ 254,751</u></u>

Approved by the Board:

 Director

 Director

(Unaudited)
(See accompanying notes)

THE FRIENDS OF PRESQU'ILE PARK
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2023

	<u>2023</u>	<u>2022</u>
REVENUES		
Fundraising Events and Operations - gross profit - Schedule A	\$ 16,024	\$ 6,847
Donations	22,301	18,052
Memberships	2,156	2,160
Investment	10,443	9,177
Dividend on economical insurance demutualization	<u>3,753</u>	<u>-</u>
Total Revenues	<u>54,677</u>	<u>36,236</u>
PROGRAM EXPENSES - net - Schedule B		
Education Programs	7,145	8,118
Park Improvements	1,710	3,784
Environmental Initiatives	<u>8,381</u>	<u>6,625</u>
Subtotal Program Expenses	<u>17,236</u>	<u>18,527</u>
OPERATING EXPENSES		
Promotion	2,570	546
Bank charges and credit card costs	1,973	1,180
Equipment	3,078	-
Insurance	3,550	3,372
Meetings	684	1,424
Miscellaneous	100	254
Office	4,035	6,376
Professional fees	<u>6,250</u>	<u>3,000</u>
Subtotal Operating Expenses	<u>22,240</u>	<u>16,152</u>
Total Expenses	<u>39,476</u>	<u>34,679</u>
Excess of revenue over expenses before item below	15,201	1,557
Adjustment to fair market value of investments	<u>(3,923)</u>	<u>(13,365)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	11,278	(11,808)
NET ASSETS, beginning of year	<u>196,672</u>	<u>208,480</u>
NET ASSETS, end of year	<u>\$ 207,950</u>	<u>\$ 196,672</u>

(Unaudited)
(See accompanying notes)

THE FRIENDS OF PRESQU'ILE PARK
SCHEDULE OF FUND RAISING EVENTS AND OPERATIONS - GROSS PROFIT
YEAR ENDED DECEMBER 31, 2023

	<u>2023</u>	<u>SCHEDULE A</u> <u>2022</u>
Lighthouse Gift Shop		
Lighthouse Gift Shop sales	\$ 42,303	\$ 10,222
Cost of sales	<u>(32,543)</u>	<u>(7,397)</u>
Gross profit	<u>\$ 9,760</u>	<u>\$ 2,825</u>
Cost of Sales		
Inventory at beginning of year	\$ 9,094	\$ 15,699
Purchases	28,436	792
Inventory at end of year	<u>(4,987)</u>	<u>(9,094)</u>
	<u>\$ 32,543</u>	<u>\$ 7,397</u>
 BBQs		
Sales	\$ 8,330	\$ 9,471
Supplies purchases	<u>(5,313)</u>	<u>(5,476)</u>
Gross profit	<u>\$ 3,017</u>	<u>\$ 3,995</u>
 Raffles and Other Events		
Sales	\$ 5,903	\$ 27
Supplies purchases	<u>(2,656)</u>	<u>-</u>
Gross profit	<u>\$ 3,247</u>	<u>\$ 27</u>
 Total Fundraisers Gross Profit	<u>\$ 16,024</u>	<u>\$ 6,847</u>

(Unaudited)
(See accompanying notes)

THE FRIENDS OF PRESQU'ILE PARK
SCHEDULE OF CHARITABLE PROGRAMS - GROSS EXPENSES
YEAR ENDED DECEMBER 31, 2023

	<u>2023</u>	<u>SCHEDULE B</u> <u>2022</u>
Discovery Education Program		
Wages	\$ 10,456	\$ 12,286
Bursaries	<u>4,000</u>	<u>4,000</u>
Gross Expenses	14,456	16,286
Employment Grant	<u>(7,311)</u>	<u>(8,168)</u>
EDUCATION PROGRAMS	<u>\$ 7,145</u>	<u>\$ 8,118</u>
PARK IMPROVEMENTS		
Marsh Boardwalk repairs	\$ 1,423	\$ 10,415
Marsh Boardwalk Contributions	-	(8,124)
Nature Centre Improvements	101	496
Trail Improvements	<u>186</u>	<u>997</u>
TOTAL PARK IMPROVEMENTS	<u>\$ 1,710</u>	<u>\$ 3,784</u>
ENVIRONMENTAL INITIATIVES		
Invasive Species - Park Expenses	\$ 6,738	\$ 5,344
Tern Research Study	3,833	3,056
Birding Program - Seed and Banding expenses	691	145
Tree planting	<u>-</u>	<u>862</u>
	11,262	9,407
25th Anniversary Base Contributions	(2,881)	(2,782)
Grants/Gifts in kind	<u>-</u>	<u>-</u>
TOTAL ENVIRONMENTAL INITIATIVES	<u>\$ 8,381</u>	<u>\$ 6,625</u>
Total Funded Program Expenses	<u>\$ 17,236</u>	<u>\$ 18,527</u>

(Unaudited)
(See accompanying notes)

THE FRIENDS OF PRESQU'ILE PARK
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2023

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 11,278	\$ (11,808)
Adjustment to fair market value of investments	<u>3,923</u>	<u>13,365</u>
	15,201	1,557
Change in non-cash working capital components:		
Accounts receivable	(1,760)	2,594
Government remittances	2,354	(1,665)
Inventory	4,107	6,605
Prepaid expenses	(51)	(170)
Accounts payable and accrued liabilities	2,450	695
Deferred contributions	<u>(206)</u>	<u>(8,552)</u>
	22,095	1,064
CASH FLOWS FROM INVESTING ACTIVITY		
Purchases of investments	<u>(9,336)</u>	<u>(8,401)</u>
INCREASE (DECREASE) IN CASH	12,759	(7,337)
CASH, beginning of year	<u>34,746</u>	<u>42,083</u>
CASH, end of year	<u><u>\$ 47,505</u></u>	<u><u>\$ 34,746</u></u>

(Unaudited)
(See accompanying notes)

THE FRIENDS OF PRESQU'ILE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

1. PURPOSE OF ORGANIZATION

The Friends of Presqu'ile Park is an incorporated organization whose purpose is to encourage and support interpretive, educational, scientific, historical, protection and preservation programs related to the natural and historical resources of Presqu'ile Provincial Park. The Friends of Presqu'ile Park is a charitable organization and as such is exempt from income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue Recognition

The Corporation 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.

Revenue is recognized at the time goods are shipped or services are supplied to customers. Provision is made for expected collection losses based on the Corporation's past experience.

Contributed Materials and Services

Contributed materials are recorded at the fair market value of the items contributed on the date of contribution. Due to the difficulty in determining the fair value of volunteer services, contributed services are not recognized in the financial statements. The Corporation has recognized contributed materials of \$3,320 during the year (2022 - \$65).

Inventory

The inventory is valued at the lower of cost and net realizable value with cost being determined on a first-in, first-out basis.

Financial Instruments

The Corporation's cash and investments are initially recognized and subsequently measured at fair market value. All other financial instruments are subsequently measured at amortized cost.

(Unaudited)

THE FRIENDS OF PRESQU'ILE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible Capital Assets

The Corporation is considered to be a “small organization” for the purposes of the accounting recommendations of the Chartered Professional Accountants of Canada applicable to not-for-profit organizations. Accordingly, tangible capital assets are expensed at the time of purchase. Proceeds of disposition are shown as revenue when an item is sold. During the year, the Corporation expensed \$3,078 for equipment acquired (2022 - \$730). The amount expensed in the year includes \$2,299 of donated equipment.

Use of Estimates

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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management makes accounting estimates when recording inventory and accrued liabilities. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements for changes in these estimates in future periods could be material.

3. FINANCIAL INSTRUMENTS

Credit Risk

The Corporation is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The Corporation’s maximum exposure to credit risk represents the sum of the carrying value of its cash and amounts receivable. The Corporation’s cash is on deposit with a chartered bank and as a result management believes the risk of loss to be remote. Management believes that all amounts receivable at year-end will be collected and has not deemed it necessary to establish an allowance for doubtful accounts.

Liquidity Risk

Liquidity risk is the risk that the Corporation cannot meet its commitments when they become due. The Corporation manages this risk by reviewing future cash flow requirements, anticipating investing and financing activities and holding assets that can be readily converted into cash.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

(Unaudited)

**THE FRIENDS OF PRESQU'ILE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023**

3. FINANCIAL INSTRUMENTS (continued)

Currency Risk

Currency risk refers to the risk that the fair value of instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

Substantially all of the Corporation's transactions are in Canadian dollars and as a result the Corporation is not subject to significant currency risk.

Interest Rate Risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. At the year-end, the Corporation is not exposed to interest rate risk.

Other Price Risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The Corporation is exposed to other price risk on its equity investments.

Change in Risk

There have been no significant changes in the Corporation's risk exposures from the prior year.

4. INVESTMENTS

Investments consist of the following:

	2023		2022	
	Market Value	Cost	Market Value	Cost
Canadian Equities	<u>\$ 213,020</u>	<u>\$ 174,280</u>	<u>\$ 207,607</u>	<u>\$ 164,944</u>

(Unaudited)

**THE FRIENDS OF PRESQU'ILE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023**

5. DEFERRED CONTRIBUTIONS

Deferred contributions consist of amounts received from donors which were designated for specific projects. During 2023, changes were as follows:

	<u>2023</u>	<u>2022</u>
25th Anniversary Environmental Fund		
Balance, beginning of year	\$ 53,163	\$ 53,591
Receipts	2,675	2,354
Recognized as revenue	<u>(2,881)</u>	<u>(2,782)</u>
Balance, end of year	<u>52,957</u>	<u>53,163</u>
Marsh Boardwalk Fund		
Balance, beginning of year	-	8,124
Recognized as revenue	<u>-</u>	<u>(8,124)</u>
Balance, end of year	<u>-</u>	<u>-</u>
Total deferred contributions	<u>\$ 52,957</u>	<u>\$ 53,163</u>

The Organization must use these funds for their designated purposes.

6. NET ASSETS - INTERNALLY RESTRICTED

Internally restricted net assets consist of:

	<u>2023</u>	<u>2022</u>
25th Anniversary Environmental Fund	\$ 32,000	\$ 34,000
Contingency Reserve	<u>100,000</u>	<u>100,000</u>
	<u>\$ 132,000</u>	<u>\$ 134,000</u>

Expenses totalling \$2,000 were charged to the 25th Anniversary Environmental Fund during the year.

(Unaudited)

**THE FRIENDS OF PRESQU'ILE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023**

6. NET ASSETS - INTERNALLY RESTRICTED (continued)

The 25th Anniversary Environmental Fund transactions are as follows:

	<u>2023</u>	<u>2022</u>
Invasive Species - Park Expenses	\$ 6,738	\$ 5,344
Tern Research Study	3,833	3,056
Birding Program - Seed and Banding Expenses	691	145
Tree planting	<u>-</u>	<u>862</u>
Total Environmental Initiatives	<u>11,262</u>	<u>9,407</u>
Base Contributions	(2,881)	(2,782)
Internally Restricted Funds Allocation	(2,000)	(2,000)
Fund Income Allocation	<u>(3,353)</u>	<u>(3,474)</u>
Total 25th Anniversary Environmental Fund Funding	<u>(8,234)</u>	<u>(8,256)</u>
Net	<u>\$ 3,028</u>	<u>\$ 1,151</u>

7. GROSS REVENUE

Gross revenue consists of:

	<u>2023</u>	<u>2022</u>
Sales	\$ 42,303	\$ 10,222
Fundraising and programs	24,425	28,572
Other	<u>38,653</u>	<u>29,389</u>
	<u>\$ 105,381</u>	<u>\$ 68,183</u>

8. COMPARATIVE FIGURES

Comparative figures have been reclassified, where applicable, to reflect the presentation adopted in the current year. The changes do not affect prior year earnings.

(Unaudited)