

**WILLOW PARK CHARITY GOLF CLASSIC
FOUNDATION**

Financial Statements

Year Ended December 31, 2015

WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION

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Year Ended December 31, 2015

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BUCHANAN BARRY LLP
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Members of Willow Park Charity Golf Classic Foundation

We have audited the accompanying financial statements of Willow Park Charity Golf Classic Foundation (the "Foundation"), which comprise the statement of financial position as at December 31, 2015 and the statements of revenues and expenses, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Independent Auditors' Report to the Members of Willow Park Charity Golf Classic Foundation *(continued)*

Basis for Qualified Opinion

In common with many charitable organizations, the Foundation derives revenue from fundraising activities, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

Qualified Opinion

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the contributions referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of Willow Park Charity Golf Classic Foundation as at December 31, 2015 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.

Calgary, Alberta
June 30, 2016

Buchanan Barry LLP
CHARTERED ACCOUNTANTS

WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION

Statement of Financial Position

December 31, 2015

	2015	2014
ASSETS		
CURRENT		
Cash	<u>\$ 14,761</u>	<u>\$ 25,023</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	<u>\$ 8,527</u>	<u>\$ 5,500</u>
NET ASSETS		
UNRESTRICTED NET ASSETS	<u>6,234</u>	<u>19,523</u>
	<u>\$ 14,761</u>	<u>\$ 25,023</u>

APPROVED ON BEHALF OF THE BOARD

"Chris Burgess" Chairman

"Mark Renneberg" Treasurer

WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION

Statement of Revenues and Expenses

Year Ended December 31, 2015

	2015	2014
REVENUES		
Auction receipts	\$ 212,920	\$ 186,785
Paramutual	4,000	2,810
Registration fees	144,000	144,000
Sponsor donations	267,795	337,700
	628,715	671,295
CONTRIBUTIONS TO DESIGNATED CHARITIES	445,000	506,500
EXCESS OF REVENUES OVER CONTRIBUTIONS	183,715	164,795
EXPENSES		
Advertising and promotion	19,507	22,103
Auction	50,482	25,070
Food and refreshments	33,920	33,846
Golf cart rentals	4,385	3,232
Golfers' gratuities	34,000	32,760
Insurance	3,452	3,452
Ladies' gratuities	3,122	5,110
Miscellaneous	6,146	4,357
Printing and signage	4,243	2,689
Prizes	30,647	35,890
Professional fees	7,100	5,724
	197,004	174,233
DEFICIENCY OF REVENUES OVER EXPENSES	\$ (13,289)	\$ (9,438)

WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION

Statement of Changes in Net Assets

Year Ended December 31, 2015

	2015	2014
NET ASSETS - Beginning of year	\$ 19,523	\$ 28,961
DEFICIENCY OF REVENUES OVER EXPENSES	(13,289)	(9,438)
NET ASSETS - End of year	\$ 6,234	\$ 19,523

WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION

Statement of Cash Flows

Year Ended December 31, 2015

	<u>2015</u>	<u>2014</u>
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (13,289)	\$ (9,438)
Changes in non-cash working capital:		
Accounts receivable	-	4,000
Accounts payable and accrued liabilities	3,027	(889)
	<u>3,027</u>	<u>3,111</u>
DECREASE IN CASH	(10,262)	(6,327)
CASH - Beginning of year	<u>25,023</u>	<u>31,350</u>
CASH - End of year	<u>\$ 14,761</u>	<u>\$ 25,023</u>

WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION

Notes to Financial Statements

Year Ended December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Willow Park Charity Golf Classic Foundation (the "Foundation") have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). The financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

Cash and cash equivalents

Cash consists of cash on hand and bank deposits. Highly liquid investments with maturities of three months or less at the date of purchase are considered to be cash equivalents.

Revenue recognition

The Foundation 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.

Registration fees are recorded when they are earned.

Income taxes

The Foundation is a not-profit organization and is exempt from income taxes under section 149(1)(l) of the Income Tax Act. Accordingly, no provision for income taxes has been made in these financial statements.

Contributed materials and services

The Foundation does not recognize contributed materials or services in the financial statements.

Financial instruments policy

Measurement

The Foundation initially measures its financial assets and liabilities at fair value, except for certain related party transactions which are measured at the carrying amount or exchange amount. The Foundation subsequently measures all financial assets and financial liabilities at amortized cost, except equity instruments quoted in an active market, which are reported at fair value with any unrealized gains and losses reported in the statement of revenue and expenses.

Financial assets subsequently measured at amortized cost include cash.

Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities.

(continues)

WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION

Notes to Financial Statements

Year Ended December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Impairment

Financial assets subsequently measured at amortized cost are tested for impairment when there are indications that an impairment exists. The amount of write-down is recognized as an impairment loss in the statement of revenue and expenses. A previously recognized impairment loss may be reversed to the extent of an improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of revenue and expenses in the period the reversal occurs.

Transaction costs

The Foundation recognizes transaction costs on financial instruments subsequently measured at fair value in the statement of revenue and expenditures in the period incurred. Financial instruments subsequently measured at amortized cost are adjusted for financing fees and transaction costs which are directly attributable to the origination and acquisition of the financial instrument.

Measurement uncertainty

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. By their nature, these estimates are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates in future periods could be significant.

2. PURPOSE OF THE ORGANIZATION

The Foundation is a not-for-profit organization incorporated under the Societies Act of Alberta. The purpose of the organization is to hold an annual golf tournament to raise funds for local charities.

3. CONTRIBUTED MATERIALS AND SERVICES

The Foundation receives contributions of materials and services for which no amount is reported on the financial statements. Contributed services include administration services of the auction as provided by the Willow Park Golf & Country Club, as well as services provided by members of the board. Contributed materials include items provided for the auction. Auction receipts revenue as reported on the financial statements consists of the proceeds of these items sold at the auction.

WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION

Notes to Financial Statements

Year Ended December 31, 2015

4. RELATED PARTY TRANSACTIONS

During the year, the Foundation paid a total of \$48,545 (2014 - \$64,682) to a company controlled by a member of the board of directors for tournament prizes and promotion. These amounts were expensed as follows:

	<u>2015</u>	<u>2014</u>
Golfers' gratuities	\$ 34,000	\$ 32,760
Insurance	3,452	3,452
Ladies' gratuities	3,122	5,110
Miscellaneous expense	380	-
Prizes	7,591	23,360
	<u>\$ 48,545</u>	<u>\$ 64,682</u>

These transactions occurred in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. As of December 31, 2015, \$Nil of the total transactions remains in accounts payable and accrued liabilities (2014 - \$Nil).

5. FINANCIAL INSTRUMENTS

The Foundation's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Foundation is not exposed to significant interest, currency, market, liquidity or credit risks arising from these financial instruments.
