

**WILLOW PARK CHARITY GOLF CLASSIC  
FOUNDATION**

**Financial Statements**

**Year Ended December 31, 2016**

**WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION**

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**Year Ended December 31, 2016**

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**BUCHANAN BARRY LLP**  
CHARTERED ACCOUNTANTS

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**INDEPENDENT AUDITORS' REPORT**

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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, 2016 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.

*Basis for Qualified Opinion*

In common with many charitable organizations, the Foundation derives revenue from donations, 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, 2016 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 14, 2017

  
CHARTERED ACCOUNTANTS

**WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION**

**Statement of Financial Position**

**December 31, 2016**

	2016	2015
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	<u>\$ 24,073</u>	<u>\$ 14,761</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 6,300	\$ 8,527
<b>NET ASSETS</b>		
<b>UNRESTRICTED NET ASSETS</b>	<u>17,773</u>	<u>6,234</u>
	<u>\$ 24,073</u>	<u>\$ 14,761</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, 2016**

	<b>2016</b>	<b>2015</b>
<b>REVENUES</b>		
Auction receipts	\$ 91,185	\$ 172,920
Fund a need donations	30,400	40,000
Paramutual	2,320	4,000
Registration fees	144,000	144,000
Sponsor donations	282,200	267,795
	<u>550,105</u>	628,715
<b>CONTRIBUTIONS TO DESIGNATED CHARITIES</b>	<u>390,500</u>	445,000
<b>EXCESS OF REVENUES OVER CONTRIBUTIONS</b>	<u>159,605</u>	183,715
<b>EXPENSES</b>		
Advertising and promotion	20,410	19,507
Auction	10,907	50,482
Food and refreshments	37,231	33,920
Golf cart rentals	4,498	4,385
Golfers' gratuities	23,040	34,000
Insurance	3,600	3,452
Ladies' gratuities	2,944	3,122
Miscellaneous	3,493	6,146
Printing and signage	5,259	4,243
Prizes	30,302	30,647
Professional fees	6,382	7,100
	<u>148,066</u>	197,004
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<u>\$ 11,539</u>	<u>\$ (13,289)</u>

**WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION**

**Statement of Changes in Net Assets**

**Year Ended December 31, 2016**

	<b>2016</b>	<b>2015</b>
<b>NET ASSETS - Beginning of year</b>	<b>\$ 6,234</b>	<b>\$ 19,523</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>11,539</b>	<b>(13,289)</b>
<b>NET ASSETS - End of year</b>	<b>\$ 17,773</b>	<b>\$ 6,234</b>

**WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION**

**Statement of Cash Flows**

**Year Ended December 31, 2016**

	<b>2016</b>	<b>2015</b>
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	\$ 11,539	\$ (13,289)
Change in non-cash working capital:		
Accounts payable and accrued liabilities	<u>(2,227)</u>	<u>3,027</u>
<b>INCREASE (DECREASE) IN CASH</b>	<b>9,312</b>	<b>(10,262)</b>
<b>CASH - Beginning of year</b>	<u>14,761</u>	<u>25,023</u>
<b>CASH - End of year</b>	<u><b>\$ 24,073</b></u>	<u><b>\$ 14,761</b></u>



# WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION

## Notes to Financial Statements

Year Ended December 31, 2016

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### 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. The Foundation has four major streams of revenue including auction receipts, fund-a-need donations, registration fees and sponsor donations.

Auction receipts are revenue earned from sale of auction items. Of these, some are purchased by the Foundation and other items are directly contributed on the behalf of the benefiting charity. The Foundation records this as revenue upon the sale of items. This revenue depends on the volume of auction items obtained by the Foundation which varies year to year.

Fund-a-need donations are cash donations received during the tournament and are recognized when the donation is contributed to the charity for whom the funds are donated.

Registration fees are collected before the tournament and are recorded as revenue at the end of the related tournament.

Sponsor donations are received during the year and are recognized upon the completion of the related tournament, if collection is reasonably assured.

#### **Income taxes**

The Foundation is a not-for-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.

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# WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION

## Notes to Financial Statements

Year Ended December 31, 2016

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

#### **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 revenues and expenses.

Financial assets subsequently measured at amortized cost include cash.

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

##### *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 revenues 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 revenues 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 revenues and expenses 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.

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### 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.

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## WILLOW PARK CHARITY GOLF CLASSIC FOUNDATION

### Notes to Financial Statements

Year Ended December 31, 2016

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#### 3. CONTRIBUTED MATERIALS, SERVICES AND ECONOMIC DEPENDENCE

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. If Willow Park Golf & Country Club was to terminate its support, the Foundation would have to reassess its ability to remain viable.

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#### 4. RELATED PARTY TRANSACTIONS

During the year, the Foundation paid a total of \$Nil (2015 - \$48,545) to a company controlled by a member of the board of directors for tournament prizes and promotion, as the member was no longer on the board of directors and there were no additional related party transactions. The amounts were expensed as follows:

	<u>2016</u>	<u>2015</u>
Golfers' gratuities	\$ -	\$ 34,000
Insurance	-	3,452
Ladies' gratuities	-	3,122
Miscellaneous expense	-	380
Prizes	-	7,591
	<u>\$ -</u>	<u>\$ 48,545</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.

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#### 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.

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#### 6. COMPARATIVE FIGURES

Some of the comparative figures of the prior year have been reclassified to conform to the current year's presentation.

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