

**ALTON MILLPOND ASSOCIATION**

**Financial Statements**

**Year Ended September 30, 2018**

*(Unaudited)*

ALTON MILLPOND ASSOCIATION

Index to Financial Statements

Year Ended September 30, 2018

*(Unaudited)*

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Members of Alton Millpond Association

We have reviewed the statement of financial position of Alton Millpond Association as at September 30, 2018 and the statements of revenues and expenditures, changes in net assets and cash flow 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.

### Basis for Qualified Conclusion

The financial statements for the period ended September 30, 2017 were not reviewed. We did not obtain evidence regarding whether the opening balances contain misstatements that materially affect the current period's financial statements.

*(continues)*

Independent Practitioner's Review Engagement Report to the Members of Alton Millpond Association *(continued)*

Conclusion

Based on our review, except for the effects of the opening balances, as described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Alton Millpond Association as at September 30, 2018, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.

Mono, Ontario  
March 25, 2019

*Whidson Professional Corporation*  
CHARTERED PROFESSIONAL ACCOUNTANTS  
Authorized to practice public accounting by the  
Chartered Professional Accountants of Ontario



ALTON MILLPOND ASSOCIATION

Statement of Financial Position

September 30, 2018

(Unaudited)

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ASSETS

CURRENT

Cash	\$	140,245
Grants receivable		97,000
Harmonized sales tax recoverable		<u>11,046</u>
	\$	<u>248,291</u>

LIABILITIES AND NET ASSETS

CURRENT

Accounts payable and accrued liabilities	\$	57,701
Unearned grants (Note 3)		<u>153,124</u>
		210,825

NET ASSETS

	<u>37,466</u>
	<u>\$ 248,291</u>

ON BEHALF OF THE BOARD

\_\_\_\_\_ Director

\_\_\_\_\_ Director

See notes to financial statements



ALTON MILLPOND ASSOCIATION  
Statement of Revenues and Expenditures  
Year Ended September 30, 2018

(Unaudited)

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REVENUES

Ontario Trillium Foundation grant (Note 4)	\$	120,392
Funds from Alton Millpond Hockey (Note 5)		11,500
Other fundraising		<u>733</u>
		<u>132,625</u>

ONTARIO TRILLIUM FOUNDATION FUNDED COSTS

Engineering		73,226
Landscape architecture		20,125
Project management		12,009
Environmental assessment		6,381
Administrative costs		4,278
Travel		3,908
Public meetings		<u>465</u>

120,392

12,233

OTHER COSTS

Legal fees		<u>298</u>
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EXCESS OF REVENUES OVER COSTS

\$ 11,935

ALTON MILLPOND ASSOCIATION

Statement of Changes in Net Assets

Year Ended September 30, 2018

(Unaudited)

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	2018
NET ASSETS - BEGINNING OF YEAR	\$ 25,531
EXCESS OF REVENUES OVER OTHER COSTS	<u>11,935</u>
NET ASSETS - END OF YEAR	<u>\$ 37,466</u>



ALTON MILLPOND ASSOCIATION

Statement of Cash Flow

Year Ended September 30, 2018

(Unaudited)

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<b>OPERATING ACTIVITIES</b>	
Excess of revenues over other costs	\$ 11,935
Changes in non-cash working capital:	
Grants receivable	(97,000)
Accounts payable and accrued liabilities	38,798
Unearned grants	73,608
Harmonized sales tax payable	<u>(10,708)</u>
	<u>4,698</u>
<b>INCREASE IN CASH FLOW</b>	16,633
Cash - beginning of year	<u>123,612</u>
<b>CASH - END OF YEAR</b>	<u>\$ 140,245</u>



# ALTON MILLPOND ASSOCIATION

## Notes to Financial Statements

Year Ended September 30, 2018

(Unaudited)

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### 1. NATURE OF OPERATIONS

Alton Millpond Association (the "Association") was incorporated on November 10, 2016 under the Canada Not-for-profit Corporations Act. The purposes of the Association are:

- a) To promote the restoration and maintenance of the Alton Millpond as a publicly accessible recreation site in a manner that restores, protects, and promotes the appreciation of the natural environment of Shaw's Creek and the Credit River; and
  - b) To promote such other complementary purposes consistent with the foregoing purpose, including public art and green energy.
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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

#### Revenue recognition

Alton Millpond Association 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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

#### Government grants

Government grants are recorded when there is a reasonable assurance that the Association had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

#### Contributed services

The operations of the Association depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

#### Measurement uncertainty

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 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. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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# ALTON MILLPOND ASSOCIATION

## Notes to Financial Statements

Year Ended September 30, 2018

(Unaudited)

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial Instruments

The Association's financial instruments consist of cash and cash equivalents, accounts receivable, grants receivable, accounts payable and unearned grants. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency, or credit risk arising from these financial instruments. The fair values of these financial instruments approximates their carrying value, unless otherwise noted.

The Association's objective when managing capital is to safeguard the Association's ability to continue as a going concern, so that it can continue to provide services and offer benefits to the members of the community.

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### 3. UNEARNED GRANTS

#### Ontario Trillium Foundation

Current year contributions	\$ 194,000
Trillium funded costs	<u>(120,392)</u>
	73,608
Opening balance	<u>79,516</u>
Closing balance	<u>\$ 153,124</u>

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### 4. ONTARIO TRILLIUM FOUNDATION GRANT

The Ontario Trillium Foundation has provided a restricted grant to the Association for a total of \$495,000 over the 27 months ended December 2019. The grant was provided to assist with the costs of design and restoration work on the Alton Millpond.

Contributions to date	\$ 291,000
Unearned grants	<u>(153,124)</u>
	137,876
Trillium funded costs to date	<u>(137,876)</u>
	<u>\$ -</u>

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### 5. RELATED PARTY TRANSACTIONS

The land that the Alton Millpond resides on is owned by Alton Development Inc. ("ADI"), which owns the Alton Mill adjacent to the Millpond, and runs the Alton Millpond Hockey Classic fundraiser. Proceeds from the fundraiser are donated to the Association. The owners of ADI are on the board of directors of the Association

During the year \$11,500 was received from Alton Millpond Hockey.

These transactions are 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.

**ALTON MILLPOND ASSOCIATION**

**Notes to Financial Statements**

**Year Ended September 30, 2018**

*(Unaudited)*

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6. ECONOMIC DEPENDENCE

The Association derived 91% of its revenue from the Ontario Trillium Foundation in the fiscal year ended September 30, 2018, this grant is currently the main source of funding for the Association. The grant period ends in December 2019 and covers the first phase of the of the Association's project, which includes obtaining permits and appropriate approvals to allow for the restoration and maintenance of the Alton Millpond. To move to the next phase of carrying out the restoration and maintenance will require raising additional funding by the Association.

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