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Financial Statements

(Unaudited)

Annapolis Valley Apple Blossom Festival

August 31, 2013

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Review Engagement Report

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To the Directors of
Annapolis Valley Apple Blossom Festival

We have reviewed the balance sheet of Annapolis Valley Apple Blossom Festival as at August 31, 2013 and the statements of operations and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Kentville, Canada
September 19, 2013



Chartered Accountants

Annapolis Valley Apple Blossom Festival

Statement of Operations

(Unaudited)

Year ended August 31

	2013	2012
Revenue		
Booster fees	\$ 16,485	\$ 15,665
Grants	12,900	12,800
Leadership competition	3,143	4,073
Parades	12,400	11,800
Patrons	19,750	17,825
Publicity	790	800
Sanctioned events	<u>5,694</u>	<u>5,144</u>
	<u>71,162</u>	<u>68,107</u>
Expenditures		
Administration	13,714	12,947
Leadership competition	13,248	13,748
Parades	10,018	8,701
Patrons	2,498	2,359
Publicity	8,594	8,237
Salaries and benefits	11,688	15,737
Sanctioned events	<u>10,182</u>	<u>9,674</u>
	<u>69,942</u>	<u>71,403</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 1,220</u>	<u>\$ (3,296)</u>

Annapolis Valley Apple Blossom Festival


Balance Sheet

(Unaudited)
August 31

	2013	2012
Assets		
Current		
Cash	\$ 33,469	\$ 32,981
Short-term investment	4,201	4,174
Receivables	<u>4,515</u>	<u>4,284</u>
	42,185	41,439
Furniture and fixtures	<u>2,002</u>	<u>2,002</u>
	<u>\$ 44,187</u>	<u>\$ 43,441</u>
<hr/>		
Liabilities		
Current		
Payables and accruals	<u>\$ 2,026</u>	<u>\$ 2,500</u>
Surplus		
Investment in capital assets	2,002	2,002
Surplus (Note 5)	<u>40,159</u>	<u>38,939</u>
	<u>42,161</u>	<u>40,941</u>
	<u>\$ 44,187</u>	<u>\$ 43,441</u>

On behalf of the board

UBS. Dawson Director

 Director

Annapolis Valley Apple Blossom Festival

Statement of Cash Flows

(Unaudited)

Year ended August 31

2013

2012

Increase (decrease) in cash and cash equivalents

Operating

Excess (deficiency) of revenue over expenditures	\$ 1,220	\$ (3,296)
Change in non-cash working capital items		
Short-term investment	(27)	(15)
Receivables	(231)	(50)
Payables and accruals	<u>(474)</u>	<u>(1,455)</u>

Increase (decrease) in cash 488 (4,816)

Cash

Beginning of year	<u>32,981</u>	<u>37,797</u>
End of year	<u>\$ 33,469</u>	<u>\$ 32,981</u>

Annapolis Valley Apple Blossom Festival

Notes to the Financial Statements

(Unaudited)
August 31, 2013

1. Nature of operations

The Festival is a not-for-profit organization, which manages and organizes the annual Annapolis Valley Apple Blossom Festival. The Festival is a registered charity under the *Income Tax Act* and as such is tax exempt.

2. Statement of compliance with Canadian accounting standards for not-for-profit organizations

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

3. First-time adoption of Canadian accounting standards for not-for-profit organizations

Effective September 1, 2012, the Festival has elected to apply the standards in Part III of the CICA Accounting Handbook for not-for-profit organizations in accordance with Canadian accounting standards for not-for-profit organizations.

These financial statements are the first financial statements for which the Festival has applied Canadian accounting standards for not-for-profit organizations hereafter referred to as "ASNPO".

The financial statements for the year ended August 31, 2013, were prepared in accordance with the accounting principles and provisions set out in FIRST-TIME ADOPTION BY NOT-FOR-PROFIT ORGANIZATIONS, Section 1501, for the first-time adopters for this basis of accounting.

The adoption of ASNPO has had no impact on the previously reported assets, liabilities and net assets of the Festival, and accordingly, no adjustments have been recorded in the comparative balance sheet. Certain of the organization's presentation and disclosures included in these financial statements reflect the new presentation and disclosure requirements of ASNPO.

4. Summary of significant accounting policies

Revenue recognition

The Annapolis Valley Apple Blossom Festival 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.

Grant revenue is recognized as received or receivable if the amount to be received can be reasonably estimated.

Capital assets

Capital assets are recorded at cost in the year of purchase. The Festival does not record amortization on its furniture and equipment. The cost of the asset is relieved at the end of its estimated useful life.

Annapolis Valley Apple Blossom Festival

Notes to the Financial Statements

(Unaudited)
August 31, 2013

4. Summary of significant accounting policies (continued)

Donated services and goods

There has been a substantial amount of time and goods donated to the Festival, which are not reflected in the financial statements because of the difficulty of determining their fair value. Only cash donations are reflected in the revenue section of the financial statements.

Use of estimates

In preparing the Festival's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported amounts of revenue and expenses. Actual amounts could differ from these estimates.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, bank overdrafts, and highly liquid temporary money market instruments with original maturities of three months or less. Bank borrowings are considered to be financing activities.

5. Surplus

	<u>2013</u>	<u>2012</u>
Balance, beginning of year	\$ 38,939	\$ 42,235
Excess (deficiency) of revenue over expenditures	<u>1,220</u>	<u>(3,296)</u>
Balance, end of year	<u>\$ 40,159</u>	<u>\$ 38,939</u>

6. Comparative figures

Certain of the comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.
