



Grant Thornton

Financial Statements

(Unaudited)

Annapolis Valley Apple Blossom Festival

August 31, 2012

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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, 2012 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 private enterprises.

Kentville, Canada  
October 4, 2012



Chartered Accountants

# Annapolis Valley Apple Blossom Festival

## Statement of Operations

(Unaudited)

Year ended August 31

	2012	2011
<b>Revenue</b>		
Appelicious	\$ -	\$ 1,000
Booster fees	15,665	14,845
Grants	12,800	14,134
Leadership competition	4,073	3,685
Parade	13,400	15,900
Passport to the Valley	-	2,100
Patrons	17,825	17,727
Publicity	800	1,270
RCMP musical ride	-	13,682
Sanctioned events	<u>3,544</u>	<u>2,644</u>
	<u>68,107</u>	<u>86,987</u>
<b>Expenses</b>		
ACOA initiative	-	1,481
Administration	12,947	13,060
Children's Parade	607	1,412
Leadership competition	13,748	12,956
Parade	8,094	10,249
Passport to the Valley	-	296
Patrons	2,359	2,591
Publicity	8,237	9,100
RCMP musical ride	-	3,316
Salaries and benefits	15,737	9,943
Sanctioned events	9,674	10,579
Uncollected pledges	<u>-</u>	<u>895</u>
	<u>71,403</u>	<u>75,878</u>
(Deficiency) excess of revenue over expenditures	<u>\$ (3,296)</u>	<u>\$ 11,109</u>

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# Annapolis Valley Apple Blossom Festival

## Balance Sheet

(Unaudited)

August 31

2012

2011

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### Assets

#### Current

Cash	\$ 32,981	\$ 37,797
Short term investment	4,174	4,159
Receivables	<u>4,284</u>	<u>4,234</u>

41,439 46,190

Furniture and fixtures

2,002 2,002

\$ 43,441 \$ 48,192

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### Liabilities

#### Current

Payables and accruals	\$ <u>2,500</u>	\$ <u>3,955</u>
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### Surplus

Investment in capital assets (Note 3)	2,002	2,002
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Surplus (Note 4)	<u>38,939</u>	<u>42,235</u>
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40,941 44,237

\$ 43,441 \$ 48,192

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On behalf of the board

\_\_\_\_\_ Director

\_\_\_\_\_ Director

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# Annapolis Valley Apple Blossom Festival

## Statement of Cash Flows

(Unaudited)

Year ended August 31

2012

2011

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Increase (decrease) in cash and cash equivalents

### Operating

(Deficiency) excess of revenue over expenditures	\$ (3,296)	\$ 11,109
Change in non-cash working capital items		
Short term investment	(15)	(36)
Receivables	(50)	2,052
Payables and accruals	<u>(1,455)</u>	<u>1,211</u>

(Decrease) increase in cash (4,816) 14,336

### Cash

Beginning of year	<u>37,797</u>	<u>23,461</u>
End of year	<u>\$ 32,981</u>	<u>\$ 37,797</u>

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# **Annapolis Valley Apple Blossom Festival**

## **Notes to the Financial Statements**

(Unaudited)  
August 31, 2012

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### **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.

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### **2. 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.

#### **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.

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# Annapolis Valley Apple Blossom Festival

## Notes to the Financial Statements

(Unaudited)  
August 31, 2012

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### 2. Summary of significant accounting policies (continued)

#### Change in accounting policies

The Festival discloses new primary sources of generally accepted accounting practices (GAAP) that have been issued but that are not yet effective.

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### 3. Furniture and fixture

	<u>2012</u>	<u>2011</u>
Balance, beginning of year	\$ <u>(2,002)</u>	\$ <u>(2,002)</u>

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### 4. Surplus

	<u>2012</u>	<u>2011</u>
Balance, beginning of year	\$ <u>42,235</u>	\$ 31,126
Excess (deficiency) of revenue over expenditures	<u>(3,296)</u>	<u>11,109</u>
Balance, end of year	\$ <u>38,939</u>	\$ <u>42,235</u>

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### 5. New accounting standard

The Accounting Standards Board of Canada has issued Part III of the CICA Handbook - Accounting Standards for Not-for-profit Organizations. These standards are effective for years beginning on or after January 1, 2012.

The Festival will be reviewing these new standards to determine what impact, if any, they will have on future reporting periods.

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