### SHUSWAP HUT AND TRAIL ALLIANCE SOCIETY ANNUAL GENERAL MEETING

### TUESDAY, OCTOBER 20, 2020 7:00 PM via video conference

### **AGENDA**

- 1. Open Meeting
- Review/adoption of Meeting Agenda
- 3. Review/adoption of Minutes of Annual General Meeting of September 17, 2019
- 4. Chairperson's Report
- 5. Election of Directors
  - a. Continuing Directors:

Nicole Jeans-Williams Scott McKee Debbie Seymour

b. Returning Directors nominated for a one-year term by the Board:

Rob Marshall Cindy Derkaz

c. Returning Directors nominated for a two-year term by the Board:

Carmen Massey Luke Gubbels

d. New Directors nominated for a two-year term by the Board:

Chris Stromgren Robyn Cyr Aaron Arnouse Steve Tiainen

- 6. Executive Director's Report
- 7. Treasurer's Report
- 8. New Business
  - a. Victor Cummings Okanagan Rail Trail Experience
- 9. Adjournment

# SHUSWAP HUT AND TRAIL ALLIANCE SOCIETY ANNUAL GENERAL MEETING Tuesday, May 21, 2019 7 pm South Canoe School

Present: See attached list – quorum established for all motions.

In memorandum – Rob Nash for his contributions to the Shuswap Hut and Trail Alliance as a long-time trail steward and volunteer.

1. Call to Order 7:10 pm

Louis Thomas from the Neskonlith First Nation welcomed the group to the Secwepemc Territory and commented on the shared passion for trail use between the STA and the First Nations

Welcome from Isabelle Gervais, principal of South Canoe School - Outdoor Learning Program

- 2. Introduction of Board Members in attendance and a quick introduction of members and where they were from.
- 3. Agenda reviewed no additions
- 4. Minutes of May 15, 2018. Moved Cindy Derkaz/Carmen Massey that the minutes be adopted as circulated. Carried
- 5. Business arising none
- 6. Chairperson's Report by Rob Marshall
  - a. Announced approval of Rural Dividend grants.
  - b. Exceptional work group has done in the past year.
  - c. A far larger than normal fund-raiser in 2019 at the Annual Auction and Dance more than \$10k raised above what had been hoped for.
  - d. STA would like to give applause to the membership who have been active in all of our activities.
- 7. Executive Directors Report Phil McIntyre-Paul details as attached
  - a. Acknowledging in Secwepemc Territory.
  - b. Thanks to the full team at the Shuswap Trail Alliance everyone walks the same paths together.
  - c. This is the 14<sup>th</sup> annual report amazing how the years have gone by. What can we do here in the Shuswap? A tremendous amount. People have continued to work together and we can do amazing things.
  - d. See the printed and circulated full report, but in summary, 70 projects this year with 50 partners creating 5 new trails amongst many other highlights.

- e. Looking ahead, in 2020 the Rail Trail will move forward along with active transportation planning and community-to-community trails. Expecting 50-60 new projects along with many volunteer days.
- f. The Sicamous to Armstrong Rail Trail is a major infrastructure project. The Vernon to Kelowna portion is going strong with economic impact far out pacing projections.
- g. The West Bay Connector between Salmon Arm and Tappen on the Shuswap is being fund-raised for now with a goal of \$6.5million. Greenway for recreation and commuting but still minimizing impact on the habitat.
- h. Secwepemc Landmarks project currently underway with signage for important First Nation locations in the Shuswap.
- i. The Shuswap Legacy Fund at the Community Foundation continues to grow.
- 8. Treasurer's Report Financials presented Colin Nobbs (Treasurer). See Attached. For 2018 income was at \$590k and expenses at \$512k.
  - a. Moved Carmen Massey/Jan Thingsted that the financials be accepted as presented. Carried
- 9. Committee Reports none
- 10. New business none
- 11. Elections for 4 Directors for 2 year terms by acclamation

Bonnie Thomas Nicole Jeans-Williams Dr. Scott McKee Debbie Seymour

Nicole and Scott provided a brief bio of their activities and what experience they are bringing to the Shuswap Trail Alliance, and a statement was read from Debbie who couldn't be in attendance.

A short description to the attendees was provided as to what is involved volunteering as a Board member or committee with the STA.

- 12. Presentation and thank you to the four out-going Board members
- 13. Adjournment moved by Carmen Massey/Charlie Burt

Presentation by the South Canoe School Shuswap Outdoor Learning Program

Presentation of Year in Review slide show

Rob Marshall, Chair

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Brian Sansom, Recorder

### Shuswap Hut and Trail Alliance Society Financial Statements For the Year Ended December 31, 2019 (Unaudited)

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### Independent Practitioner's Review Engagement Report

### To the members of Shuswap Hut and Trail Alliance Society

We have reviewed the accompanying financial statements of Shuswap Hut and Trail Alliance Society that comprise the statement of financial position as at December 31, 2019, and the statements of operations, 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.

### 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

In common with many not-for-profit organizations, Shuswap Hut and Trail Alliance Society derives revenue from cash and in-kind donations and fundraising activities, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of Shuswap Hut and Trail Alliance Society. Therefore, we were not able to determine whether any adjustments might be necessary to donations, in-kind donations, deferred revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2019 and 2018, current assets as at December 31, 2019 and 2018, and net assets as at January 1 and December 31 for both the 2019 and 2018 years. Our review conclusion on the financial statements for the year ended December 31, 2018 was modified accordingly because of the possible effects of this limitation in scope.



### **Qualified Conclusion**

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Shuswap Hut and Trail Alliance Society as at December 31, 2019, 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.

BDO Canada LLP

**Chartered Professional Accountants** 

Salmon Arm, British Columbia September 2, 2020

### Shuswap Hut and Trail Alliance Society Statement of Financial Position (Unaudited)

As at December 31	,	2019	2018
Assets			
Current Cash (Note 2) Accounts receivable (Note 3) Prepaid expenses	\$	129,260 41,724 13,007	\$ 126,903 34,455 10,797
		183,991	172,155
Equipment (Note 4)		31,632	 17,921
	\$	215,623	\$ 190,076
Liabilities and Net Assets			
Current Accounts payable and accrued liabilities (Note 5) Deferred revenue (Note 6)	\$	21,694 13,286	\$ 29,913 16,100
		34,980	46,013
Net Assets Invested in capital assets Available		31,632 149,011	17,921 126,142
		180,643	144,063
Λ	<u> </u>	215,623	\$ 190,076
On behalf of the Board:  Director	les	_	Director

The accompanying notes are an integral part of these financial statements.

Shuswap Hut and Trail Alliance Society Statement of Changes in Net Assets (Unaudited)

					)	(
For the year ended December 31	트	Invested in Capital Assets	Available	υ	2019 Total	2018 Total
Balance, beginning of the year	<b>∽</b>	17,921 \$	126,14	2 \$	17,921 \$ 126,142 \$ 144,063 \$	61,768
Excess of revenues over expenses		(6,780)	43,360	0	36,580	82,295
Purchase of capital assets		20,491	(20,491)	£	•	ŧ
Balance, end of the year	\$	31,632 \$	149,01	4	31,632 \$ 149,011 \$ 180,643 \$ 144,063	144,063

### Shuswap Hut and Trail Alliance Society Statement of Operations (Unaudited)

For the year ended December 31		2019		2018
Revenue				
Local grant and subsidy	\$	340,690	\$	305,499
Donations - In-kind contributions (Note 7)	•	103,689	•	98,155
- Cash donations		33,291		15,064
Grants		132,831		98,697
Fundraising		60,410		58,748
Membership dues and fees		4,890		5,620
Other		2,822		12,160
Gain on disposal		718		
		679,341		593,943
Expenses				
Amortization		6,347		3,718
Community consultations		16,841		13,871
Coordination and management		123,344		114,866
Insurance		13,254		10,609
Marketing		2,214		1,152
Office		8,534		6,119
Professional development		5,948		1,152
Professional fees		5,915		5,177
Project costs (Note 7)		414,498		313,559
Rent and utilities		11,743		10,777
Repairs and maintenance		6,244		5,552
Sponsorship and fundraising		20,900		19,181
Supplies		2,211		1,750
Telephone		3,299		2,648
Website design		1,469		1,517
	<u></u>	642,761		511,648
Excess of revenues over expenses	\$	36,580	\$	82,295

### Shuswap Hut and Trail Alliance Society Statement of Cash Flows (Unaudited)

For the year ended December 31	· · · · · · · · · · · · · · · · · · ·	2019	2018
Cash flows from operating activities  Cash receipts from grants, donations, fundraising and memberships	\$	231,171 \$	402 202
Cash receipts from municipal and regional funding Cash paid to suppliers and employees		333,828 (543,301)	193,383 323,495 (416,551)
		21,698	100,327
Cash flows from investing activities Purchase of equipment Proceeds on disposal of equipment		(20,491) 1,150	(6,722)
Net increase in cash		2,357	93,605
Cash, beginning of the year		126,903	33,298
Cash, end of the year	\$	129,260 \$	126,903

### December 31, 2019

### 1. Significant Accounting Policies

### Nature and Purpose of Organization

Shuswap Hut and Trail Alliance Society (the "Society") is a not-for-profit organization. The purpose of the Society is to develop, operate, maintain, and promote a network of non-motorized trails, waterway and hut-to-hut routes throughout the Shuswap watershed region in the Province of British Columbia for educational, recreational, economic, and environmental benefit to the public, and to do so collaboratively through community partnerships.

The Society is a registered charity under the Income Tax Act and, as such, is exempt from income tax and may issue income tax receipts to donors.

### **Basis of Accounting**

The financial statements have been prepared by management using Canadian accounting standards for not-for-profit organizations.

### Revenue Recognition

The Society 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.

### Cash

Cash consists of cash on hand and bank balances.

### December 31, 2019

### 1. Significant Accounting Policies (continued)

### Capital Assets

Purchased tangible capital assets are stated at cost less accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution and are amortized, unless fair value is not determinable in which case contributed tangible capital assets are recorded at nominal value at the date of contribution. Expenditures for repairs and maintenance are expensed as incurred. Betterments that extend the useful life of the tangible capital asset are capitalized.

Amortization based on the estimated useful life of the asset is calculated as follows:

	Method	Rate
Small tools and equipment	Declining balance	20%
Vehicles	Declining balance	30%

When a tangible capital asset no longer has any long-term service potential to the Society, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Any unamortized deferred contribution amount related to the tangible capital asset is recognized in revenue in the statement of operations, provided that all restrictions have been complied with.

When a tangible capital asset is disposed of, the difference between the net proceeds on disposition and the net carrying amount is recognized in the statement of operations. Any unamortized deferred contribution amount related to the tangible capital asset disposed of is recognized in revenue in the statement of operations, provided that all restrictions have been complied with.

### In-Kind Contributions

Contributed assets, materials and services which are used in the normal course of the society's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

### December 31, 2019

### 1. Significant Accounting Policies (continued)

#### Financial Instruments

Financial instruments are recorded at fair value at initial recognition.

In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.

### Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Significant estimates include valuation of accounts receivable, amortization of capital assets and completeness of accounts payable and accrued liabilities.

### December 31, 2019

### 2. Cash

The Society has available a line of credit of \$50,000 bearing interest at 6.95% as at December 31, 2019. As of year-end, there was no amount withdrawn from the line of credit.

### 3. Accounts Receivable

	 2019	2018
Grant and subsidy Other government receivable	\$ 40,202 1,522	\$ 33,339 1,116
	\$ 41,724	\$ 34,455

### 4. Equipment

		2019				2018		
		Cost		cumulated nortization		Cost		cumulated nortization
Small tools and equipment Vehicles	\$	43,673 16,000	\$	25,641 2,400	\$	39,182 15,355	\$	21,694 14,922
	<u>\$</u>	59,673	\$	28,041	\$	54,537	\$	36,616
Net book value			\$	31,632			\$	17,921

### 5. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$13,880 (2018 - \$17,150).

### December 31, 2019

### 6. Deferred Revenue

Deferred revenue represent unspent resources externally restricted in the current period that are related to expenses of a subsequent period. Deferred revenue balances are as follows:

	 2019	2018
Opening balance	\$ 16,100 \$	13,155
Contributions received:  Membership Other deferred revenue - Event	 4,680 11,085	3,350 14,510
Total contributions received	15,765	17,860
Contributions recognized:  Membership Other deferred revenue - Event	 (4,069) (14,510)	(3,750) (11,165)
Total contributions recognized	(18,579)	(14,915)
Total deferred revenue	\$ 13,286 \$	16,100

### 7. In-Kind Contributions and Expenses

The work of the Society is significantly dependent upon the voluntary services of members and on the donations of materials and services of supporters. Management has determined the value of contributions in-kind to be \$ 103,689 (2018 - \$ 98,155). This amount has been recorded as revenue and is included in project cost expenses in these financial statements.

### 8. Commitments

The Society has entered into a lease for office space. The minimum annual payments are \$ 600 (2018 - \$ 7,200), expiring January 2020.

### 9. Economic Dependence

Approximately 81% (2018 - 72%) of the Society's cash revenue comes from government agencies.

### December 31, 2019

### 10. Financial Instruments

#### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Society's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. The majority of the Society's receivables are from government sources.

### Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Society will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The Society is exposed to this risk mainly in respect of its accounts payable.

The Society's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash flows to fund its operations and to meet its liabilities when due, under both normal and stressed conditions. The Society maintains a portion of its invested assets in liquid securities.

### 11. COVID-19

Subsequent to year end, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in worldwide emergency measures to combat the spread of the virus. These measures, which include self-quarantine periods, have caused disruption to businesses globally, which are resulting in an economic slowdown. The duration and impact of the COVID-19 outbreak is unknown at this time, including measures implemented by governments and central banks. It is not possible to reliably estimate the length of these developments, including the impact on the financial results of the Society in future periods.