
ST. MARGARET'S BAY AREA RAILS-TO-TRAILS ASSOCIATION

COMPILED FINANCIAL INFORMATION
(Unaudited - see Compilation Engagement Report)

MARCH 31, 2023



COMPILATION ENGAGEMENT REPORT

To Management of St Margarets Bay Area Rails-to-Trails Association,

On the basis of information provided by management, we have compiled the balance sheet of St Margarets Bay Area Rails-to-Trails Association as at March 31, 2023, and the statement of income, and retained earnings for the year then ended, and notes on the Basis of Accounting.

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Bluenose Accounting

Bluenose Accounting

Chartered Professional Accountants

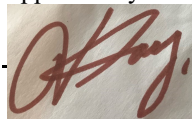
May 9, 2023

ST. MARGARET'S BAY AREA RAILS-TO-TRAILS ASSOCIATION

STATEMENT OF FINANCIAL POSITION
(Unaudited - see Compilation Engagement Report)

MARCH 31	2023	2022
ASSETS		
CURRENT ASSETS		
Cash - general	\$ 73,127	\$ 31,995
Cash - rum runners	-	3,175
Sales tax receivable - general	2,264	5,164
Sales tax receivable - rum runners	-	53
Deposit - General	<u>50</u>	<u>50</u>
	<u><u>\$ 75,441</u></u>	<u><u>\$ 40,437</u></u>
LIABILITIES		
CURRENT LIABILITIES		
Deferred revenue (Note 1)	\$ -	\$ 2,529
	<u>-</u>	<u>2,529</u>
NET ASSETS		
UNRESTRICTED		
	<u>75,441</u>	<u>37,908</u>
	<u><u>\$ 75,441</u></u>	<u><u>\$ 40,437</u></u>

Approved by the Directors:



SIGN HERE

Director

Director



ST. MARGARET'S BAY AREA RAILS-TO-TRAILS ASSOCIATION

STATEMENT OF CHANGES IN NET ASSETS
(Unaudited - see Compilation Engagement Report)

MARCH 31	2023		2022	
	<u>Unrestricted</u>	Invested in Property and <u>Equipment</u>	<u>Total</u>	<u>Total</u>
NET ASSETS AT BEGINNING OF YEAR	\$ 37,908	\$ -	\$ 37,908	\$ 61,690
EXCESS OF REVENUE OVER EXPENSES / (EXPENSES OVER REVENUE)	<u>37,533</u>	<u>-</u>	<u>37,533</u>	<u>(23,782)</u>
NET ASSETS AT END OF THE YEAR	<u>\$ 75,441</u>	<u>\$ -</u>	<u>\$ 75,441</u>	<u>\$ 37,908</u>



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ST. MARGARET'S BAY AREA RAILS-TO-TRAILS ASSOCIATION

STATEMENT OF OPERATIONS

(Unaudited - see Compilation Engagement Report)

PERIOD ENDED MARCH 31	2023	2022
REVENUE		
Grant income	\$ 39,741	\$ 32,000
Memberships & donation	907	2,350
Trans canada trail	1,000	5,900
Bay treasure chest	49,000	30,010
Rum runners project - net - (SCHEDULE 1)	<u>-</u>	<u>-</u>
	90,648	70,260
DIRECT EXPENDITURES		
Grants issued	1,250	7,735
Recap	44,739	79,899
Signage	506	532
Equipment	<u>1,620</u>	<u>-</u>
	<u>48,115</u>	<u>88,166</u>
	42,533	(17,906)
GENERAL EXPENSES		
Dues & fees	246	231
Insurance	1,344	875
Interest & bank charges	91	8
Rent	38	2,817
Office supplies	1,627	1,621
Travel	<u>1,654</u>	<u>324</u>
	<u>5,000</u>	<u>5,876</u>
EXCESS OF REVENUE OVER EXPENSES/ (EXPENSES OVER REVENUE)	<u>\$ 37,533</u>	<u>\$ (23,782)</u>



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ST. MARGARET'S BAY AREA RAILS-TO-TRAILS ASSOCIATION

NOTES TO COMPILED FINANCIAL INFORMATION
(Unaudited - see Compilation Engagement Report)

MARCH 31	2023	2022
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1. DEFERRED REVENUE

Rum Runners	\$ -	\$ 2,529
	<u>\$ -</u>	<u>\$ 2,529</u>



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ST. MARGARET'S BAY AREA RAILS-TO-TRAILS ASSOCIATION

SCHEDULE 1 - RUM RUNNERS

(Unaudited - see Compilation Engagement Report)

MARCH 31	2023	2022
REVENUE		
Deferred revenue	\$ <u>2,529</u>	\$ <u>1,665</u>
	2,529	1,665
EXPENSES		
Grants issued	2,381	-
Other	<u>148</u>	<u>1,665</u>
	<u>2,529</u>	<u>1,665</u>
EXCESS OF REVENUE OVER EXPENSES		
/ (EXPENSES OVER REVENUE)	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>



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St Margarets Bay Area Rails-to-Trails Association

Year End: March 31, 2023

Trial Balance

Prepared by	Reviewed by
XL 5/09/23	

5.3

Account	Prelim	Adj's	Reclass	Rep	Annotation	Rep 03/22 %Chg
1000 TD - 8023 - Rum Runner	0.00	0.00	0.00	0.00		3,175.14 -100
1010 TD - 0882 - General	0.00	0.00	0.00	0.00		-4.95 -100
1030 CUA - 5104 - General	73,128.28	0.00	0.00	73,128.28		31,998.67 129
1400 Prepaid	50.00	0.00	0.00	50.00		50.00 0
2200 GST Payable	2,264.38	0.00	0.00	2,264.38		5,163.93 -56
2201 GST Payable-Rum Runner	0.00	0.00	0.00	0.00		53.25 -100
2500 Deferred Revenue - Rum Runners	-2,528.84	2,528.84	0.00	0.00		-2,528.84 -100
3900 Retained Earnings	-37,907.20	0.00	0.00	-37,907.20		-61,689.30 -39
4010 Membership Fees	-287.00	0.00	0.00	-287.00		-389.20 -26
4020 Donations	-620.25	0.00	0.00	-620.25		-1,586.13 -61
4030 Grant Income	0.00	0.00	0.00	0.00		-5,000.00 -100
4032 Grant Income - HRM	-17,865.87	0.00	0.00	-17,865.87		-10,000.00 79
4039 Bay Treasure Chest	-49,000.00	0.00	0.00	-49,000.00		-30,010.00 63
4040 Donation - Memorial Banch	0.00	0.00	0.00	0.00		-375.00 -100
4041 CCH NS	-17,000.00	0.00	0.00	-17,000.00		-17,000.00 0
4042 Trans Canada Trail PGB	-1,000.00	0.00	0.00	-1,000.00		-5,900.00 -83
4043 Grant - Province of NS	-4,875.00	0.00	0.00	-4,875.00		0.00 0
5030 Signage	506.10	0.00	0.00	506.10		531.90 -5
5200 Maintenance & Repairs	44,738.69	0.00	0.00	44,738.69		79,899.02 -44
5300 Grant issued	3,631.25	0.00	-2,381.25	1,250.00		7,735.00 -84
5805 Rails to Trails - Rent - Equipment	1,620.00	0.00	0.00	1,620.00		0.00 0
6050 Bank Charges	238.13	-122.41	-25.18	90.54		7.95 1039
6400 Insruance - Business	1,343.50	0.00	0.00	1,343.50		874.52 54
6555 Licenses & Dues	246.15	0.00	0.00	246.15		231.15 6
6700 Office supplies	121.47	0.00	0.00	121.47		198.09 -39
6800 Rent - Office	37.62	0.00	0.00	37.62		2,817.36 -99
6905 Travel	1,653.50	0.00	0.00	1,653.50		324.28 410
6990 Website	1,505.09	0.00	0.00	1,505.09		1,423.16 6
4910A Deferred Revenue Adj - Rum Run	0.00	-2,528.84	0.00	-2,528.84		-1,665.14 52
5300A Grants Issued	0.00	0.00	2,381.25	2,381.25		0.00 0
6050A Bank Changes	0.00	122.41	25.18	147.59		1.95 7469
6400A Insurance - Rum Runner	0.00	0.00	0.00	0.00		900.00 -100
6990A Website - Run Rummer	0.00	0.00	0.00	0.00		763.19 -100
*** Unassigned Accounts ***	0.00	0.00	0.00	0.00		0.00 0
	0.00	0.00	0.00	0.00		0.00 0
Net Income (Loss)	35,006.62			37,535.46		-23,782.10 -258

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St Margarets Bay Area Rails-to-Trails Association

Year End: March 31, 2023

Adjusting Journal Entries

Date: 4/01/22 To 3/31/23

Prepared by	Reviewed by
<div>XL5/09/23</div>	

5.4

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
001	3/31/23	Deferred Revenue - Rum Runners	2500	RR		2,528.84			
001	3/31/23	Deferred Revenue Adj - Rum Runner	4910A	RR			2,528.84		
		To recognized deferred revenue - Rum Runner							
003	3/31/23	Bank Charges	6050	31			122.41		
003	3/31/23	Bank Changes	6050A	31		122.41			
		To clear out Rum Runner deferred revenue							
						2,651.25	2,651.25		
Net Income (Loss)			37,535.46						



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St Margarets Bay Area Rails-to-Trails Association

Year End: March 31, 2023
Reclassifying Journal Entries
Date: 4/01/22 To 3/31/23

Prepared by	Reviewed by
XL 5/09/23	

5.5

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
002	3/31/23	Grant issued	5300	40			2,381.25		
002	3/31/23	Bank Charges	6050	40			25.18		
002	3/31/23	Grants Issued	5300A	40		2,381.25			
002	3/31/23	Bank Changes	6050A	40		25.18			
To reclassify Rum Runner expenses									
						2,406.43	2,406.43		
Net Income (Loss)			37,535.46						



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Bluenose Accounting
1-13589 Peggy's Cove Road
Upper Tantallon, Nova Scotia
B3Z 2J3

May 9, 2023

Mr. Neil Mooy, Director
St Margarets Bay Area Rails-to-Trails Association
29 Tidewater Lane
Head of St Margarets Bay, NS
B3Z 2G7

Dear Mr. Mooy:

Further to our engagement letter dated April 28, 2023, you acknowledge that you are responsible for:

- a. The compiled financial information;
- b. Selecting the basis of accounting to be applied in the preparation of the compiled financial information that is appropriate for the intended use;
- c. The accuracy and completeness of the information provided to us; and
- d. Attaching the compilation engagement report when distributing or reproducing the compiled financial information.

If you have any questions about the contents of this letter, please raise them with us. Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, your responsibilities for the compilation engagement.

We appreciate the opportunity of continuing to be of service to your company.

Yours truly,

Bluenose Accounting

Bluenose Accounting

Chartered Professional Accountants

Acknowledged and agreed on behalf of the management of St Margarets Bay Area Rails-to-Trails Association.



SIGN HERE

Mr. Neil Mooy, Director

St Margarets Bay Area Rails-to-Trails Association

Date May 9, 2023

April 28, 2023

Mr. Neil Mooy, Director
St Margarets Bay Area Rails-to-Trails Association
29 Tidewater Lane
Head of St Margarets Bay, NS
B3Z 2G7

Attention:

Dear Mr. Mooy:

You have requested that, on the basis of information that you will provide, we assist you in the preparation of the compiled financial information of St Margarets Bay Area Rails-to-Trails Association, which comprise the balance sheet as at MARCH 31, 2023, and the statement of income and retained earnings for the year then ended, and Notes to the Financial Statements, which describes the basis of accounting to be applied in the preparation of the compiled financial information.

Intended Use of the Compiled Financial Information

The compiled financial information is intended to be used by management of St Margarets Bay Area Rails-to-Trails Association and third parties, being identified by management in writing prior to this engagement letter date. Those parties are in a position to request and obtain further information from the entity.

We are pleased to confirm our acceptance and our understanding of this compilation engagement by means of this letter.

Our Responsibilities

We will perform the compilation engagement in accordance with the Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires us to comply with relevant ethical requirements.

A compilation engagement involves us assisting you in the preparation of compiled financial information. Since a compilation engagement is not an assurance engagement, we are not required to perform procedures to verify the accuracy or completeness of the information you provide to us for the compilation engagement. Accordingly, we will not express an audit opinion or a review conclusion, or provide any form of assurance on the compiled financial information.

Management's Responsibilities

The compilation engagement is performed on the basis that you acknowledge that:

- a. The third party that intends to use the compiled financial information is in a position to request and obtain further information from the entity;
- b. A compilation engagement is appropriate for the intended use;
- c. You understand that a compilation engagement will not fulfill the entity's legal, regulatory or contractual provisions, if any, for an audit engagement or a review engagement; and
- d. You understand that the compiled financial information should not be used by third parties other than those who are in a position to request or obtain further information from the entity or have agreed with you the basis of accounting applied in the preparation of the compiled financial information.

Further, you acknowledge that you are responsible for:

- a. The compiled financial information;
- b. Selecting the basis of accounting to be applied in the preparation of the compiled financial information that is appropriate for the intended use;
- c. The accuracy and completeness of the information provided to us; and
- d. Attaching the compilation engagement report when distributing or reproducing the compiled financial information.

Reporting

Unless unanticipated difficulties are encountered, our report will be substantially in the form contained in Appendix A to this letter.

Use of Information

It is acknowledged that we will have access to all information about identified individuals ("personal information") in your custody that we require to complete our Engagement. Our services are provided on the basis that:

- a. You represent to us that management has obtained any required consents for our collection, use, disclosure, storage, transfer and process of personal information required under applicable privacy legislation and professional regulation; and
- b. We will hold all personal information in compliance with our Privacy Statement.

File Inspections

In accordance with professional regulations (and by firm policy), our client files must periodically be reviewed by practice inspectors and by other firm personnel to ensure that we are adhering to professional and firm standards. File reviewers are required to maintain confidentiality of client information.

Confidentiality

One of the underlying principles of the profession is a duty of confidentiality with respect to client affairs. Each professional accountant must preserve the secrecy of all confidential information that becomes known during the practice of the profession. Accordingly, we will not provide any third party with confidential information concerning the affairs of St Margarets Bay Area Rails-to-Trails Association unless:

- a. We have been specifically authorized with prior consent;
- b. We have been ordered or expressly required by law or by the provincial *Code of Professional Conduct/Code of Ethics*; or
- c. The information requested is (or enters into) public domain.

Communications

In performing our services, we will send messages and documents electronically. As such communications can be intercepted, misdirected, infected by a virus, or otherwise used or communicated by an unintended third party, we cannot guarantee or warrant that communications from us will be properly delivered only to the addressee. Therefore, we specifically disclaim, and you release us from, any liability or responsibility whatsoever for interception or unintentional disclosure of communications transmitted by us in connection with the performance of this Engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from such communications, including any that are consequential, incidental, direct, indirect, punitive, exemplary or special damages (such as loss of data, revenues or anticipated profits).

If you do not consent to our use of electronic communications, please notify us in writing.

Other Terms of Engagement

Subject to management review and approval, we will carry out such bookkeeping as we find necessary prior to the preparation of the compiled financial information, prepare the necessary federal and provincial income tax returns and prepare any special reports as required. Management will provide the information necessary to complete the returns/reports and will file them with the appropriate authorities on a timely basis.

It should be noted that our accounting work in the area of GST/HST and other commodity taxes is limited. Accordingly, we may not detect situations where you are incorrectly collecting GST/HST or incorrectly claiming input tax credits. As you are aware, failure to properly account for the GST/HST could result in you or your company becoming liable for tax, interest or penalties. These situations may also arise for provincial sales tax, custom duties and excise taxes.

We will also be pleased to provide other additional services upon request. Such services include income tax planning, GST/HST and PST advice, business financing, management consulting and valuations.

Ownership

The working papers, files, other materials, reports and work created, developed or performed by us during the course of the Engagement are the property of our firm, constitute our confidential information and will be retained by us in accordance with our firm's policies and procedures.

During the course of our work, we may provide, for your own use, certain software, spreadsheets and other intellectual property to assist with the provision of our services. Such software, spreadsheets and other intellectual property must not be copied, distributed or used for any other purpose. We also do not provide any warranties in relation to these items and will not be liable for any lost or corrupted data or other damage or loss suffered or incurred by you in connection with your use of them.

We retain the copyright and all intellectual property rights in any original materials provided to you.

Accounting Advice

Except as outlined in this letter, the Engagement does not contemplate the provision of specific accounting advice or opinions or the issuance of a written report on the application of accounting standards to specific transactions and to the facts and circumstances of the entity. Such services, if requested, would be provided under a separate engagement letter.

Dispute Resolution

You agree that any dispute that may arise regarding the meaning, performance or enforcement of this Engagement will, prior to resorting to litigation, be submitted to mediation, the mediator to be named by Bluenose Accounting.

Indemnity

St Margarets Bay Area Rails-to-Trails Association hereby agrees to indemnify, defend (by counsel retained and instructed by us) and hold harmless our firm (and its partners, agents and employees) from and against any and all losses, costs (including solicitors' fees), damages, expenses, claims, demands and liabilities arising out of (or in consequence of):

- a. The breach by St Margarets Bay Area Rails-to-Trails Association, or its directors, officers, agents, or employees, of any of the covenants or obligations of St Margarets Bay Area Rails-to-Trails Association herein, including, without restricting the generality of the foregoing, the misuse of, or the unauthorized dissemination of, our engagement report or the financial information in reference to which the engagement report is issued, or any other work product made available to you by our firm.
- b. A misrepresentation by a member of your management or those charged with governance.

Limitation of Liability

Our aggregate liability for all claims, losses, liabilities and damages in connection with this Engagement, whether as a result of breach of contract, tort (including negligence), or otherwise, regardless of the theory of liability, is limited to the fees charged to the service related to the loss period. Our liability shall be several and not joint and several. We shall only be liable for our proportionate share of any loss or damage, based on our contribution relative to the others' contributions and only if your claim is commenced within 3 months or less of the date St Margarets Bay Area Rails-to-Trails Association should have been aware of the potential claim. In addition, we will not be liable in any event for consequential, incidental, indirect, punitive, exemplary, aggravated or special damages, including any amount for loss of profit, data or goodwill, whether or not the likelihood of such loss or damage was contemplated.

Time Frames

We will use all reasonable efforts to complete the Engagement as described in this letter within the agreed-upon time frames.

However, we shall not be liable for failures or delays in performance that arise from causes beyond our reasonable control, including any delays in the performance by St Margarets Bay Area Rails-to-Trails Association of its obligations.

Fees at Regular Billing Rates

Our professional fees will be based on our regular billing rates, plus direct out-of-pocket expenses and applicable GST/HST, and are due when rendered. Fees for additional services will be established separately.

If significant additional time is likely to be incurred, we will discuss the reasons with you and agree on a revised fee estimate before we incur the additional costs.

Fees will be rendered as work progresses and are payable on presentation.

Billing

Our fees and costs will be billed monthly and are payable upon receipt. Invoices unpaid 30 days past the billing date may be deemed delinquent and are subject to an interest charge of 2.0% per month. We reserve the right to suspend our services or to withdraw from this Engagement in the event that any of our invoices are deemed delinquent. In the event that any collection action is required to collect unpaid balances due to us, you agree to reimburse us for our costs of collection, including lawyers' fees.

Costs of Responding to Government or Legal Processes

In the event we are required to respond to a subpoena, court order, government agency or other legal process for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this Engagement, you agree to compensate us, at our normal hourly rates, for the time we expend in connection with such response and to reimburse us for all of our out-of-pocket costs (including applicable GST/HST) incurred.

Termination

Management acknowledges and understands that failure to fulfill its obligations as set out in this engagement letter will result, upon written notice, in the termination of the Engagement.

Either party may terminate this agreement for any reason upon providing written notice to the other party not less than 1 calendar days before the effective date of termination. If early termination takes place, St Margarets Bay Area Rails-to-Trails Association shall be responsible for all time and expenses incurred up to the termination date and all costs in terminating any agreement with any specialist or other third party retained by us in connection with this Engagement.

If we are unable to complete the Engagement, we may withdraw from the Engagement before issuing our Compilation Engagement Report or compiling the financial information. If this occurs, we will communicate the reasons and provide details.

Survival of Terms

This engagement letter will continue in force for subsequent Engagements unless terminated by either party by written notice prior to the commencement of the subsequent Engagement.

Conclusion

This engagement letter includes the relevant terms that will govern the Engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by all of the parties.



If you have any questions about the contents of this letter, please raise them with us. Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for the compilation engagement.

We appreciate the opportunity of continuing to be of service to your company.

Yours truly,

Bluenose Accounting

Bluenose Accounting
Chartered Professional Accountants

Acknowledged and agreed on behalf of the management of St Margarets Bay Area Rails-to-Trails Association.

St Margarets Bay Area Rails-to-Trails Association

SIGN HERE

Mr. Neil Mooy, Director

St Margarets Bay Area Rails-to-Trails Association

Date April 28, 2023

APPENDIX A - COMPILATION ENGAGEMENT REPORT

To Management of St Margarets Bay Area Rails-to-Trails Association,

On the basis of information provided by management, we have compiled the balance sheet of St Margarets Bay Area Rails-to-Trails Association as at MARCH 31, 2023, and the statement of income, and retained earnings for the year then ended, and notes on the Basis of Accounting.

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Bluenose Accounting

Chartered Professional Accountants

1-13589 Peggy's Cove Road

Upper Tantallon, Nova Scotia

B3Z 2J3

Date of approval