

HERITAGE AGRICULTURAL SOCIETY
Financial Statements
For The Year Ended October 31, 2016

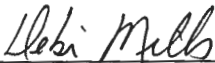
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management of Heritage Agricultural Society is responsible for the integrity of the accompanying financial statements. The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

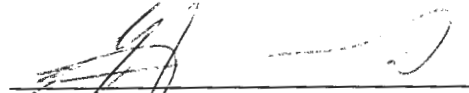
To assist in meeting its responsibility, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The preparation of the financial statements necessarily includes some amounts which are based on the best estimates and judgments of management.

Prior to their submission to the Members, the financial statements have been reviewed and recommended for approval by the Board of Directors. The financial statements have been audited by the independent firm of Hawkings Epp Dumont LLP, Chartered Accountants. Their report to the Members, stating the scope of their examination and opinion on the financial statements follows.

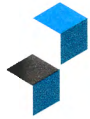


Debi Mills, President



Greg Hanna, Vice President

Stony Plain, Alberta
January 24, 2017



INDEPENDENT AUDITORS' REPORT

To the Members of Heritage Agricultural Society

We have audited the accompanying financial statements of Heritage Agricultural Society, which comprise the statement of financial position as at October 31, 2016 and the statements of revenues and expenses, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Heritage Agricultural Society as at October 31, 2016 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.

Edmonton, Alberta
January 24, 2017

Hawkings Epp Dumont LLP

Hawkings Epp Dumont LLP
Chartered Accountants

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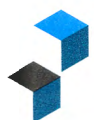
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HERITAGE AGRICULTURAL SOCIETY

Statement of Financial Position

As at October 31, 2016

	2016	2015 <i>(Revised)</i> <i>(Note 11)</i>
ASSETS		
CURRENT		
Cash and cash equivalents <i>(Note 2)</i>	\$ 21,767	\$ 34,447
Accounts receivable <i>(Note 3)</i>	7,903	37,413
Marketable securities	690	3,041
Inventory <i>(Note 4)</i>	<u>40,992</u>	<u>34,613</u>
	71,352	109,514
LONG TERM INVESTMENTS <i>(Note 5)</i>	76,981	74,509
TANGIBLE CAPITAL ASSETS <i>(Note 6)</i>	<u>2,358,108</u>	<u>2,367,271</u>
	<u>\$ 2,506,441</u>	<u>\$ 2,551,294</u>
LIABILITIES		
CURRENT		
Bank indebtedness <i>(Note 7)</i>	\$ 13,959	\$ -
Accounts payable and accrued liabilities	37,226	19,044
Goods and Services Tax payable	12,206	790
Employee deductions payable	7,015	21,574
Deferred revenue <i>(Note 8)</i>	66,624	99,459
Current portion of long term debt <i>(Note 9)</i>	<u>13,237</u>	<u>-</u>
	150,267	140,867
LONG TERM DEBT <i>(Note 9)</i>	136,763	150,000
DEFERRED CAPITAL ALLOCATION <i>(Note 10)</i>	<u>820,583</u>	<u>842,083</u>
	<u>1,107,613</u>	<u>1,132,950</u>
NET ASSETS		
Invested in tangible capital assets <i>(Note 12)</i>	1,537,525	1,525,187
Unrestricted	<u>(138,697)</u>	<u>(106,843)</u>
	<u>1,398,828</u>	<u>1,418,344</u>
	<u>\$ 2,506,441</u>	<u>\$ 2,551,294</u>

ON BEHALF OF THE BOARD

_____ Director

_____ Director

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

HERITAGE AGRICULTURAL SOCIETY
Statement of Revenues and Expenses
For The Year Ended October 31, 2016

	2016	2015 <i>(Revised)</i> <i>(Note 11)</i>
REVENUE		
Homesteaders Kitchen <i>(Schedule 2)</i>	\$ 249,144	\$ 254,474
Provincial and other grants <i>(Schedule 1)</i>	247,924	172,696
Zap! Electrical Safety <i>(Schedule 3)</i>	141,564	128,754
Municipal grants	141,495	136,579
Cultural services <i>(Schedule 4)</i>	111,914	167,727
Rental income	75,865	78,315
Art and artisans services <i>(Schedule 5)</i>	68,308	58,149
Federal grants	49,290	372
Donations and other projects	45,841	31,944
Amortization of deferred capital allocation	21,500	17,917
Bingo income - net	10,486	40,379
	<u>1,163,331</u>	<u>1,087,306</u>
COST OF SALES		
Homesteaders Kitchen <i>(Schedule 2)</i>	74,003	74,696
Art and artisans services <i>(Schedule 5)</i>	40,532	41,230
	<u>114,535</u>	<u>115,926</u>
GROSS PROFIT	<u>1,048,796</u>	<u>971,380</u>
EXPENSES		
Administration <i>(Schedule 7)</i>	250,606	298,002
Facility maintenance <i>(Schedule 6)</i>	244,044	151,857
Homesteaders Kitchen <i>(Schedule 2)</i>	197,961	224,785
Historical resources <i>(Schedule 8)</i>	109,183	66,216
Zap! Electrical Safety <i>(Schedule 3)</i>	102,906	99,004
Cultural services <i>(Schedule 4)</i>	86,876	110,457
Art and artisans services <i>(Schedule 5)</i>	56,755	49,639
Agricultural programs <i>(Schedule 9)</i>	23,728	30,592
	<u>1,072,059</u>	<u>1,030,552</u>
DEFICIENCY OF REVENUE OVER EXPENSES FROM OPERATIONS	<u>(23,263)</u>	<u>(59,172)</u>
OTHER INCOME (EXPENSES)		
Investment income	3,057	4,632
Gain (loss) on disposal of investments	690	(6,168)
	<u>3,747</u>	<u>(1,536)</u>
DEFICIENCY OF REVENUE OVER EXPENSES	<u>\$ (19,516)</u>	<u>\$ (60,708)</u>

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

HERITAGE AGRICULTURAL SOCIETY
Statement of Changes in Net Assets
For The Year Ended October 31, 2016

	Unrestricted	Invested in Tangible Capital Assets	2016	2015 (Revised) (Note 11)
NET ASSETS - BEGINNING OF YEAR				
AS PREVIOUSLY STATED	\$ (106,843)	\$ 335,187	\$ 228,344	\$ 289,052
Prior period adjustments (Note 11)	-	1,190,000	1,190,000	-
As restated	(106,843)	1,525,187	1,418,344	289,052
Deficiency of revenue over expenses	(19,516)	-	(19,516)	(60,708)
Donation of land (Note 11)	-	-	-	1,190,000
Tangible capital asset purchases	(29,239)	29,239	-	-
Amortization of tangible capital assets	38,401	(38,401)	-	-
Amortization of deferred capital contributions	(21,500)	21,500	-	-
NET ASSETS - END OF YEAR	\$ (138,697)	\$ 1,537,525	\$ 1,398,828	\$ 1,418,344

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

HERITAGE AGRICULTURAL SOCIETY
Statement of Cash Flows
For The Year Ended October 31, 2016

	2016	2015
OPERATING ACTIVITIES		
Deficiency of revenue over expenses	\$ (19,516)	\$ (60,708)
Items not affecting cash:		
Amortization of tangible capital assets	38,401	34,195
Amortization of deferred capital allocation	<u>(21,500)</u>	<u>(17,917)</u>
	<u>(2,615)</u>	<u>(44,430)</u>
Changes in non-cash working capital:		
Accounts receivable	29,510	(21,713)
Inventory	(6,379)	14,297
Accounts payable and accrued liabilities	18,183	(7,749)
Deferred revenue	(32,835)	(20,330)
Goods and Services Tax payable	11,416	5,725
Employee deductions payable	<u>(14,559)</u>	<u>2,942</u>
	<u>5,336</u>	<u>(26,828)</u>
	<u>2,721</u>	<u>(71,258)</u>
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(29,239)	(2,057,660)
Change in long term investments	(2,472)	(2,382)
Change in marketable securities	<u>2,351</u>	<u>7,097</u>
	<u>(29,360)</u>	<u>(2,052,945)</u>
FINANCING ACTIVITIES		
Proceeds from long term debt	-	150,000
Proceeds from deferred capital allocation	<u>-</u>	<u>2,050,000</u>
	<u>-</u>	<u>2,200,000</u>
INCREASE (DECREASE) IN CASH FLOW	(26,639)	75,797
Cash and cash equivalents - beginning of year	<u>34,447</u>	<u>(41,350)</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 7,808	\$ 34,447
CASH CONSISTS OF:		
Cash	\$ 21,767	\$ 34,447
Bank indebtedness	<u>(13,959)</u>	<u>-</u>
	<u>\$ 7,808</u>	<u>\$ 34,447</u>

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

HERITAGE AGRICULTURAL SOCIETY
Notes to Financial Statements
For The Year Ended October 31, 2016

Heritage Agricultural Society (the "Society") was incorporated under the Agricultural Societies Act of Alberta on June 1, 1973 and is a non-profit organization and registered charity under the Income Tax Act of Canada. The Heritage Agricultural Society will engage local residents, businesses, governments, community organizations and visitors as they record, promote and celebrate the agricultural heritage, cultural roots and historic values of the tri-communities. They will develop and deliver creative and innovative programs and services. These programs and services will provide quality experiences focused on their areas of excellence for their residents and visitors and will provide private, public and philanthropic partnership opportunities.

1. 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).

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 expenditures 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.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment when indicators of impairment exist. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets measured at fair value include cash and cash equivalents and accounts receivable.

Financial liabilities measured at fair value include accounts payable and accrued liabilities and long term debt.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand and balances with the banks, net of outstanding cheques.

Inventory

Inventories, which represents goods held for resale and kitchen supplies, are valued at the lower of cost and net realizable value. Net realizable value is defined as estimated selling price less estimated selling costs. Cost is determined on a first-in, first-out basis.

(continues)

HERITAGE AGRICULTURAL SOCIETY
Notes to Financial Statements
For The Year Ended October 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible capital assets

Tangible capital assets are stated at cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives at the following rates and methods:

Land	N/A	non-amortizable
Buildings	40 years	straight-line method
Equipment	10 years	straight-line method
Art gallery permanent collection		carried at cost
Future building development costs		carried at cost

In the year of acquisition, amortization is calculated at one half of the above rates.

The Society regularly reviews its tangible capital assets to eliminate obsolete items.

The value of works of art has been recorded at estimated market value at the date of donation.

No value has been assigned for the Museum Collection held by the Society, as there is no net realizable value readily obtainable.

Marketable securities

Investments for which there are quoted prices in an active market are carried at fair value. Unrealized gains or losses are reported as part of net income. Investments for which there is not an active market are carried at amortized cost except when it is established that their value is impaired. Impairment losses, or reversal of previously recognized impairment losses, are reported as part of net income.

Leases

Leases are classified as either capital or operating leases. At the time the Society enters into a capital lease, an asset is recorded with its related long-term obligation to reflect the acquisition and financing. Rental payments under operating leases are expensed as incurred.

Investments

Long term investments are classified as available-for-sale. As there is no active market for these shares, their fair value is estimated at amortized cost.

(continues)

HERITAGE AGRICULTURAL SOCIETY
Notes to Financial Statements
For The Year Ended October 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Deferred capital allocations are recognized as revenue on straight-line basis over the estimated useful life of the related tangible capital asset.

Event production and rental revenue is recognized when the amounts are received or receivable, if the amounts to be received can be reasonably estimated and collection is reasonably assured.

Liquor, food and vending revenue is recognized daily based on cash reports.

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

Donated services and goods

A portion of the Society's activities is carried out by services donated by individuals. The value of these services has not been determined, and accordingly, is not recorded in these financial statements. Donated goods are recorded as gift-in-kind revenue at estimated market value only when the item would have been otherwise been purchased.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, balances with banks less cheques issued and outstanding. Cash and cash equivalents included in the cash flows statement comprise the following balance sheet amounts:

	2016	2015
Cash on hand and balances with bank	\$ 51,004	\$ 78,387
Cheques issued and outstanding	(29,237)	(43,940)
	\$ 21,767	\$ 34,447

3. ACCOUNTS RECEIVABLE

	2016	2015
Accounts receivable	\$ 7,903	\$ 39,893
Allowance for doubtful accounts	-	(2,480)
	\$ 7,903	\$ 37,413

During the year, the charge for impairment related to accounts receivable was reported as bad debt expense on the statement of income in the amount of \$254 (2015 - \$2,480).

HERITAGE AGRICULTURAL SOCIETY
Notes to Financial Statements
For The Year Ended October 31, 2016

4. INVENTORY

	2016	2015
Kitchen	\$ 4,051	\$ 2,111
Store	36,941	32,502
	\$ 40,992	\$ 34,613

Inventory is comprised of artworks, general store and kitchen supplies. The amount of inventory recognized as an expense during the year was \$81,392 (2015 - \$112,088).

5. LONG TERM INVESTMENTS

	2016	2015
Parkland Bingo Association	\$ 44,865	\$ 42,539
Edmonton Community Foundation	32,116	31,970
	\$ 76,981	\$ 74,509

The Society has a membership equity stakehold in the Parkland Bingo Association. This equity can be redeemed at any time. The Society has an investment in the Edmonton Community Foundation, which represents funds held on deposit for investment purposes.

6. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value <i>(Revised)</i> <i>(Note 11)</i>
Land	\$ 1,190,000	\$ -	\$ 1,190,000	\$ 1,190,000
Buildings	1,510,434	500,822	1,009,612	1,025,289
Equipment	80,605	74,091	6,514	-
Art gallery permanent collection	21,970	-	21,970	21,970
Future building development costs	130,012	-	130,012	130,012
	\$ 2,933,021	\$ 574,913	\$ 2,358,108	\$ 2,367,271

7. BANK INDEBTEDNESS

ATB Operating Loan bearing interest at bank prime plus 3.0% to a maximum of \$80,000. Advances can be made on a revolving basis and interest only payments are required. The balance as at October 31, 2016 is \$13,959 (2015 - \$NIL). Bank prime on October 31, 2016 was 2.7%.

The Operating Loan is secured by a general security agreement, real property, and an assignment of leases and rents.

HERITAGE AGRICULTURAL SOCIETY
Notes to Financial Statements
For The Year Ended October 31, 2016

8. DEFERRED REVENUE

Deferred revenue represents funds received prior to October 31, 2016, but relates to the subsequent expenditures as follows:

	2015	Additions	Used	2016
Little Green Thumbs	\$ -	\$ 25,000	\$ -	\$ 25,000
Zap! Electrical Safety	21,164	21,582	21,163	21,583
Inquiring Minds	21,930	20,000	21,930	20,000
AMA Videoconferencing	5,504	-	5,504	-
Install of totem pole	4,000	-	4,000	-
Community Initiatives Program	46,774	-	46,774	-
Gift cards	87	285	331	41
	<u>\$ 99,459</u>	<u>\$ 66,867</u>	<u>\$ 99,702</u>	<u>\$ 66,624</u>

9. LONG TERM DEBT

ATB Financial loan bearing interest at prime plus 1.5%, repayable in monthly interest only payments until February 2016 and monthly blended payments of \$1,200 from March 2016 onwards. The loan is secured by a general security agreement, real property and an assignment of leases and rents.

	2016	2015
	<u>\$ 150,000</u>	<u>\$ 150,000</u>
	150,000	150,000
Amounts payable within one year	<u>(13,237)</u>	-
	<u>\$ 136,763</u>	<u>\$ 150,000</u>

Principal repayment terms are approximately:

2017	\$ 13,237
2018	8,825
2019	9,202
2020	9,596
2021	10,007
Thereafter	<u>99,133</u>
	<u>\$ 150,000</u>

HERITAGE AGRICULTURAL SOCIETY
Notes to Financial Statements
For The Year Ended October 31, 2016

10. DEFERRED CAPITAL ALLOCATION

	2016	2015 <i>Revised</i> <i>(Note 11)</i>
Balance, beginning of year	\$ 842,083	\$ -
Add: funds received or utilized for capital activities Parkland School Division	 -	 860,000
Subtotal	842,083	860,000
Less: amounts amortized to income	(21,500)	(17,917)
Balance, end of year	\$ 820,583	\$ 842,083

11. PRIOR PERIOD ADJUSTMENT

During the 2016 fiscal year, it was discovered that the Society did not record contributed tangible capital assets that were donated in 2015. As a result, prior year comparative figures have been adjusted for this matter.

The 2015 financial statements were adjusted as follows:

- Increase in deferred capital allocation by \$842,083;
- Increase in tangible capital assets by \$2,032,083; and
- Increase in opening invested in tangible capital assets by \$1,190,000.

Certain comparative figures have been restated to conform to the current year's presentation.

12. INVESTED IN TANGIBLE CAPITAL ASSETS

	2016	2015
Tangible capital assets	\$ 2,358,108	\$ 2,367,270
Deferred capital allocation	(820,583)	(842,083)
	\$ 1,537,525	\$ 1,525,187

HERITAGE AGRICULTURAL SOCIETY
Notes to Financial Statements
For The Year Ended October 31, 2016

13. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Society's risk exposure and concentration as of October 31, 2016.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society is exposed to credit risk from customers. In order to reduce its credit risk, the Society reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Society has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long term debt and accounts payable.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Society is mainly exposed to interest rate risk.

14. COMPARATIVE FIGURES

Some of the comparative have been reclassified to conform with current year's presentation.

HERITAGE AGRICULTURAL SOCIETY
Provincial and Other Grants
For The Year Ended October 31, 2016

(Schedule 1)

	2016	2015
REVENUE		
Agricultural Society Program	\$ 98,879	\$ 90,360
Community Initiatives Program	46,774	28,226
Alberta Foundation for the Arts	44,745	40,233
Alberta Museums Association	35,999	11,599
Alberta Historical Foundation	17,240	-
Other grants	4,287	2,278
	\$ 247,924	\$ 172,696

Homesteaders Kitchen
For The Year Ended October 31, 2016

(Schedule 2)

	2016	2015
SALES	\$ 249,144	\$ 254,474
COST OF SALES	74,003	74,696
GROSS PROFIT(2016 - 71%, 2015 - 71%)	175,141	179,778
EXPENSES		
Salaries	152,370	202,063
Supplies	19,316	12,889
Equipment	8,999	215
Repairs and maintenance	8,403	4,792
Small wares	4,039	2,366
Equipment lease	2,706	2,460
Staff and volunteer meals	1,194	-
Special events and promotions	934	-
	197,961	224,785
DEFICIENCY OF EXPENSES OVER SALES	\$ (22,820)	\$ (45,007)

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

HERITAGE AGRICULTURAL SOCIETY
Zap! Electrical Safety
For The Year Ended October 31, 2016

(Schedule 3)

	2016	2015
REVENUE		
Electrical safety program	\$ 100,074	\$ 128,754
Administration fees	41,490	-
	141,564	128,754
EXPENSES		
Electrical safety program	102,906	99,004
	102,906	99,004
EXCESS OF REVENUE OVER EXPENSES	\$ 38,658	\$ 29,750

Cultural Services
For The Year Ended October 31, 2016

(Schedule 4)

	2016	2015
REVENUE		
Little Green Thumb	\$ 29,042	\$ 63,595
Inquiring Minds	28,129	25,501
School programming fees	25,074	28,758
City Slickers	21,230	36,150
Craft programs and workshops	5,205	-
Special events	3,234	3,999
Festival of Trees	-	9,724
	111,914	167,727
EXPENSES		
Little Green Thumbs	27,122	42,331
Inquiring Minds	21,302	25,501
City Slickers	20,080	24,340
School salaries	8,530	12,186
Special events supplies	4,885	1,661
Volunteer recognition	1,846	1,941
School supplies	1,768	2,226
Programs and workshops	1,343	-
Heritage Farmers Market	-	271
	86,876	110,457
EXCESS OF REVENUE OVER EXPENSES	\$ 25,038	\$ 57,270

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

HERITAGE AGRICULTURAL SOCIETY
Art and Artisans Services
For The Year Ended October 31, 2016

(Schedule 5)

	2016	2015
SALES		
Store	\$ 47,274	\$ 41,963
Shelf space rentals	16,300	7,752
Exhibition	4,734	8,389
Artist application fees	-	45
	68,308	58,149
COST OF SALES		
Consignments	26,418	9,527
Gallery artist fees	6,725	7,200
Purchases	4,409	18,920
Art	2,980	5,583
	40,532	41,230
GROSS PROFIT(2016 - 42%, 2015 - 29%)	27,776	16,919
EXPENSES		
Retail salaries	38,570	37,907
Gallery salaries	12,072	8,600
General store supplies	3,451	1,343
Gallery supplies	1,717	902
Gallery openings	945	887
	56,755	49,639
DEFICIENCY OF EXPENSES OVER SALES	\$ (28,979)	\$ (32,720)

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

HERITAGE AGRICULTURAL SOCIETY
Facility Maintenance
For The Year Ended October 31, 2016

(Schedule 6)

	2016	2015
EXPENSES		
Repairs and maintenance	\$ 101,305	\$ 14,722
Utilities	42,415	47,612
Amortization	38,401	34,195
Caretaker salaries	25,867	36,964
Insurance and taxes	19,500	4,772
Garbage removal	5,857	4,569
Caretaker supplies	5,095	5,992
Ground supplies	2,814	187
Security and lockup	1,920	2,844
Grounds salaries	640	-
PERC rental supplies	230	-
	<u>\$ 244,044</u>	<u>\$ 151,857</u>

Administration
For The Year Ended October 31, 2016

(Schedule 7)

	2016	2015
EXPENSES		
Administrative salaries	\$ 181,505	\$ 249,166
Advertising and promotion	17,552	5,945
Professional fees	14,330	7,426
Office supplies	8,474	6,414
Telephone	8,365	6,472
Interest and bank charges	7,185	9,713
Interest on long term debt	6,317	3,152
Workers' compensation	2,098	1,687
Postage and freight	1,792	2,082
Information technology	1,452	-
Memberships and subscriptions	847	817
Office equipment	350	379
Bad debt	254	2,480
Conferences and courses	85	2,269
	<u>\$ 250,606</u>	<u>\$ 298,002</u>

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

HERITAGE AGRICULTURAL SOCIETY**Historical Resources****(Schedule 8)****For The Year Ended October 31, 2016**

	2016	2015
EXPENSES		
Historical resources salaries	\$ 50,287	\$ 52,402
Library Archives Canada Express	20,796	-
Alberta History Foundation	19,721	-
Museums Alberta	8,658	9,960
Historical resources display/supplies	5,096	244
Historical programs and events	4,200	3,285
Historical resources walking tours	350	325
Historical resources books and subscriptions	75	-
	<u>\$ 109,183</u>	<u>\$ 66,216</u>

Agricultural Programs**(Schedule 9)****For The Year Ended October 31, 2016**

	2016	2015
EXPENSES		
Farm supplies	\$ 14,014	\$ 18,171
Agriculture program wages	8,284	12,421
OMG Contractors	1,430	-
	<u>\$ 23,728</u>	<u>\$ 30,592</u>

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