



SPECIALIZED TRANSPORTATION GRANTS
FOR SENIORS AND DISABLED PERSONS



APPLICATION FOR FUNDING

Name of Association, Society or Group: Beehive Support Services Association

Are you registered with the Province of Alberta as a non-profit organization? Yes

Address: 5056 - 50 Avenue Box 6007 Drayton Valley, AB T7A 1R6

Contact Person (position/title): Paula Newberry
Fund Development

Telephone Number: 780-542-3113 Fax Number: 780-542-3115

Cell Number: _____ mail Address: pnewberry@beehivesupportservices.com

Purpose of Goals of Association, Society or Group: _____

To provide support services to disabled adults in Drayton Valley and surrounding areas. Supports are provided in areas of employment, medical, recreation, volunteer placements, 24 hour residential, and supported independent living.

Reason for Request for Funding: _____
To off set the cost of the vans the association uses for transporting the individuals we support.

Number of People Served by Association, Society or Group: 26

(This is number of unique individuals served, not the number of rides)

Number of Parkland County People Served: 3

Please attach:

1. Financial Statement and/or Budget that indicates revenues and expenditures.
2. Map of Parkland County indicating your service area.

May 24, 2017
Date

Signature

Please forward completed form and attachments to Carilyn Bjarnason , Community Development Coordinator,
Parkland County, 53109 Hwy 779, Parkland County, AB T7Z 1R1 or cbjarnason@parklandcounty.com.

Applications **must be received by June 15, 2017**

For further information, please contact Carilyn at 780-968-8342

The personal information provided by you is being collected under the authority of the Municipal Government Act and will be used for the purposes under that Act. The personal information that you provide may be made public, subject to the provisions of the Freedom of Information and Protection of Privacy Act. Should you have any questions regarding this collection of information, please contact Dough Tymchyshyn, Manager of legislative and Administrative Services, at 780-968-8405.



Financial Statements of
Beehive Support Services Association
March 31, 2016

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Beehive Support Services Association
March 31, 2016

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Feddema & Company

CHARTERED ACCOUNTANTS

Vivien Feddema, B. Comm., C.A.
Robert T. Feddema, B. Comm., C.A.

Phone (780) 542-5195

Fax (780) 542-4962

Box 5001
5160 - 52 avenue
Drayton Valley, Alberta
T7A 1R3

Auditor's Report

To the Members of the Board of Directors of The Beehive Support Services Association:

We have audited the statement of financial position of the Beehive Support Services Association as at March 31, 2016 and March 31, 2015 and the statements of operations, changes in net assets and cash flows for the years 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

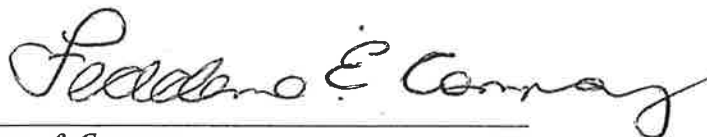
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable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

In common with many not-for-profit organizations, the organization derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses, current assets and net assets.

Opinion

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the donations referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the association as at March 31, 2016 and March 31, 2015 and the results of its operations and the changes in its financial position for the year then ended in accordance with Accounting Standards for Not-for-Profit Organizations.



Feddema & Company
Chartered Accountants

Drayton Valley, Alberta
June 27, 2016

Statement of Operations
Beehive Support Services Association
Year ended March 31, 2016

	2016	2015
REVENUE (See Schedules 2-9)		
Persons with Developmental Disabilities (PDD) grants (See Schedules 2-9)	\$ 1,891,164	\$ 2,200,940
Residential rental	64,300	93,598
Miscellaneous	45,339	41,530
Other grants	13,370	8,750
Fundraising	7,723	52,669
	2,021,896	2,397,487
EXPENSES (See Schedules 2-9)		
Direct wages and wage costs	1,395,144	1,242,677
Administration wages and wage costs	213,962	256,812
Service delivery wages and wage costs	174,277	231,461
Repairs and maintenance	40,774	42,965
Other direct expenses - Transportation	38,689	37,025
Telephone and utilities	38,079	44,376
Vehicle	29,756	36,237
Professional fees	29,721	16,748
Staff and board development	28,165	18,314
Insurance and dues	17,722	13,212
Office	16,267	18,271
GST expense	6,026	5,511
Advertising and promotion	4,448	4,921
Programming	1,464	10,726
Interest and bank charges	249	100
TOTAL EXPENSES - OPERATIONS	2,034,743	1,979,356
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	(12,847)	418,131
GAIN ON DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT	715,360	158,676
INTEREST INCOME	10,637	1,076
	713,150	577,883
OTHER EXPENSES		
Amortization	36,452	60,713
Interest on long-term debt	4,903	19,088
PDD surplus repayment (recovery)	(2,734)	9,456
	38,621	89,257
EXCESS OF REVENUE OVER EXPENSES BEFORE DISCONTINUED OPERATIONS	674,529	488,626
INCOME FROM DISCONTINUED OPERATIONS (Note 2)	1,013,278	85,610
EXCESS OF REVENUE OVER EXPENSES	\$ 1,687,807	\$ 574,236

Statement of Changes in Net Assets
Beehive Support Services Association
Year ended March 31, 2016

			2016	2015
	Investment in Property, Plant and Equipment	Unrestricted	Total	Total
BALANCE, BEGINNING OF YEAR	\$ 550,023	\$ 694,128	\$ 1,244,151	\$ 669,915
Excess of revenues over expenses	685,362	1,002,445	1,687,807	574,236
Purchase of plant and equipment	30,595	(30,595)	-	-
Proceeds on disposal of property, plant and equipment	(1,091,529)	1,091,529	-	-
Repayment of long-term debt	18,553	(18,553)	-	-
BALANCE, END OF YEAR	\$ 193,004	\$ 2,738,954	\$ 2,931,958	\$ 1,244,151

Statement of Financial Position
Beehive Support Services Association
March 31, 2016

	2016	2015
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 2,991,516	\$ 733,757
Accounts receivable	6,715	51,073
GST rebates receivable	1,801	7,095
Prepaid expenses	6,496	10,477
Inventory	-	6,016
	3,006,528	808,418
PROPERTY, PLANT AND EQUIPMENT (Note 3)	343,706	719,278
	<u>\$ 3,350,234</u>	<u>\$ 1,527,696</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 49,775	\$ 41,608
PDD surplus payable (Note 9)	38,275	41,009
Deferred revenue and deposits	179,525	31,674
Bank loans payable within one year (Note 4)	8,785	10,495
	276,360	124,786
Bank loans payable after one year (Note 4)	141,916	158,759
	418,276	283,545
NET ASSETS		
Investment in property, plant and equipment	193,004	550,023
Unrestricted	2,738,954	694,128
	2,931,958	1,244,151
	<u>\$ 3,350,234</u>	<u>\$ 1,527,696</u>

APPROVED BY THE BOARD:

DIRECTOR

DIRECTOR

Statement of Cash Flows
Beehive Support Services Association
Year ended March 31, 2016

	2016	2015
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 674,529	\$ 574,236
Items not affecting cash flow		
Amortization	36,452	60,713
Gain on disposal of property, plant and equipment	(715,360)	(158,676)
	(4,379)	476,273
Net change in non-cash working capital (Note 8)	212,933	(192,957)
	208,554	283,316
INVESTING ACTIVITY		
Purchase of plant and equipment	(30,595)	(26,065)
Proceeds on disposal of property, plant and equipment	1,068,079	603,823
	1,037,484	577,758
Cash flows from discontinued operations (Note 8)	1,030,274	85,610
	2,067,758	663,368
FINANCING ACTIVITY		
Principal repayment of long-term debt	(18,553)	(445,923)
INCREASE IN CASH	2,257,759	415,151
CASH, BEGINNING OF YEAR	733,757	318,606
CASH, END OF YEAR	\$ 2,991,516	\$ 733,757

Schedule 1 - Bottle Depot Operations
Beehive Support Services Association
Year ended March 31, 2016

	2016 (9 Months)	2015
REVENUE		
Bottle sales	\$ 841,949	\$ 1,089,794
Bottle commissions	349,483	453,766
Miscellaneous	7,716	24,311
	1,199,148	1,567,871
EXPENSES		
Bottle purchases	843,960	1,096,647
Direct wages and wage costs	229,721	297,746
Insurance and dues	18,667	14,630
Administration wages and wage costs	18,008	25,765
Telephone and utilities	10,317	20,191
Repairs and maintenance	7,137	10,227
Professional fees	6,325	3,300
Office	4,076	4,975
Vehicle	3,851	5,320
Staff and board development	1,067	2,224
Advertising and promotion	737	1,163
Interest and bank charges	8	73
	1,143,874	1,482,261
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	55,274	85,610
GAIN ON DISPOSAL OF DEPOT LICENSE	951,550	-
GAIN ON DISPOSAL OF EQUIPMENT	6,454	-
EXCESS OF REVENUE OVER EXPENSES	1,013,278	85,610

Schedule 2 - Persons with Developmental Disabilities - Overnight Staffed Residence**Beehive Support Services Association****Year ended March 31, 2016**

	2016	2015
REVENUE		
Persons with Developmental Disabilities grants	\$ 663,204	\$ 784,839
Miscellaneous	8,653	4,461
Other grants	2,405	1,250
	674,262	790,550
EXPENSES		
Direct wages and wage costs	548,802	524,240
Administration wages and wage costs	77,015	83,524
Service delivery wages and wage costs	24,932	43,985
Vehicle	11,901	17,009
Professional fees	11,042	8,358
Staff and board development	9,664	8,196
Telephone and utilities	7,668	9,229
Office	6,458	7,208
Insurance and dues	5,947	5,355
Repairs and maintenance	5,101	7,792
GST expense	2,321	2,951
Advertising and promotion	1,221	1,488
Programming	37	4,998
Interest and bank charges	7	41
	712,116	724,374
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	\$ (37,854)	\$ 66,176

Schedule 3 - Persons with Developmental Disabilities - Community Access
Beehive Support Services Association
Year ended March 31, 2016

	2016	2015
REVENUE		
Persons with Developmental Disabilities grants	\$ 411,555	\$ 528,000
Miscellaneous	31,520	23,885
Other grants	2,405	1,250
	445,480	553,135
EXPENSES		
Direct wages and wage costs	331,625	246,439
Administration wages and wage costs	52,052	55,787
Service delivery wages and wage costs	39,417	48,429
Professional fees	7,578	2,113
Vehicle	7,083	5,905
Staff and board development	6,731	2,354
Telephone and utilities	4,688	4,648
Office	4,059	3,950
Insurance and dues	3,919	1,041
Repairs and maintenance	3,543	4,312
GST expense	1,540	525
Programming	1,154	1,186
Advertising and promotion	819	452
Interest and bank charges	-	14
	464,208	377,155
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	\$ (18,728)	\$ 175,980

Schedule 4 - Persons with Developmental Disabilities - Employment Supports**Beehive Support Services Association**Year ended March 31, 2016

	2016	2015
<hr/>		
REVENUE		
Persons with Developmental Disabilities grants	\$ 379,920	\$ 414,855
Miscellaneous	2,865	2,050
Other grants	2,405	1,250
	<hr/>	<hr/>
	385,190	418,155
<hr/>		
EXPENSES		
Direct wages and wage costs	210,735	228,359
Service delivery wages and wage costs	40,866	62,498
Administration wages and wage costs	38,677	42,181
Professional fees	5,859	2,881
Vehicle	5,775	6,387
Staff and board development	5,517	4,183
Telephone and utilities	3,727	4,240
Office	3,052	3,073
Insurance and dues	2,884	1,758
Repairs and maintenance	2,626	3,494
GST expense	1,152	935
Advertising and promotion	619	42
Programming	72	804
Interest and bank charges	-	20
	<hr/>	<hr/>
	321,561	360,855
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EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	\$ 63,629	\$ 57,300
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Schedule 5 - Persons with Developmental Disabilities - Supported Independent Living**Beehive Support Services Association****Year ended March 31, 2016**

	2016	2015
REVENUE		
Persons with Developmental Disabilities grants	\$ 369,025	\$ 402,529
Other grants	2,405	1,250
Miscellaneous	2,301	1,634
	373,731	405,413
EXPENSES		
Direct wages and wage costs	278,247	220,629
Service delivery wages and wage costs	67,558	72,372
Administration wages and wage costs	36,574	41,168
Staff and board development	5,563	2,734
Professional fees	5,242	3,196
Vehicle	4,997	6,936
Telephone and utilities	3,850	3,990
Office	2,678	3,358
Insurance and dues	2,511	2,045
Repairs and maintenance	2,313	3,219
GST expense	1,013	1,100
Advertising and promotion	547	583
Programming	115	710
Interest and bank charges	-	18
	411,208	362,058
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	\$ (37,477)	\$ 43,355

Schedule 6 - Persons with Developmental Disabilities - Respite
Beehive Support Services Association
Year ended March 31, 2016

	2016	2015
<hr/>		
REVENUE		
Persons with Developmental Disabilities grants	\$ 29,882	\$ 33,115
<hr/>		
EXPENSES		
Direct wages and wage costs	25,735	23,010
Administration wages and wage costs	2,004	3,087
Service delivery wages and wage costs	1,504	4,177
Staff and board development	250	64
	<hr/>	<hr/>
	29,493	30,338
<hr/>		
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	\$ 389	\$ 2,777
	<hr/>	<hr/>

Schedule 7 - Persons with Developmental Disabilities - Transportation

Beehive Support Services Association

Year ended March 31, 2016

	2016	2015
REVENUE		
Persons with Developmental Disabilities grants	\$ 37,578	\$ 37,602
EXPENSES		
Other direct expenses - Transportation	38,689	37,025
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	\$ (1,111)	\$ 577

Schedule 8 - Residential Rental
Beehive Support Services Association
Year ended March 31, 2016

	2016	2015
REVENUE		
Residential rental	\$ 64,300	\$ 93,598
Donations	-	9,500
	64,300	103,098
EXPENSES		
Repairs and maintenance	27,191	24,148
Telephone and utilities	18,146	22,269
Insurance and dues	2,461	3,013
Interest and bank charges	242	-
Professional fees	-	200
	48,040	49,630
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	\$ 16,260	\$ 43,968

Schedule 9 - Fundraising
Beehive Support Services Association
Year ended March 31, 2016

	2016	2015
REVENUE		
Fundraising	\$ 7,723	\$ 52,669
Other grants	3,750	3,750
	11,473	56,419
EXPENSES		
Administration wages and wage costs	7,640	31,065
Advertising and promotion	1,242	2,356
Staff and board development	440	783
Programming	86	3,028
Office	20	682
Interest and bank charges	-	7
	9,428	37,921
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	\$ 2,045	\$ 18,498

Notes to the Financial Statements
Beehive Support Services Association
March 31, 2016

Note 1: Significant Accounting Policies

Purpose of Organization

The Beehive Support Services Association provides support services for persons with developmental disabilities and is primarily funded under contract with the Province of Alberta to provide these services.

Basis of Presentation and Revenue Recognition

The financial statements have been prepared in accordance with the accounting standards for not-for-profit organizations published by the Canadian Institute of Chartered Accountants (CICA) using the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year 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.

Contributed Services

The society would not be able to carry out its activities without the services of volunteers who donate a considerable number of hours. Because of the difficulty of compiling these hours, contributed services are not recognized in these financial statements.

Inventory

Inventory is valued at the lower of cost and net realizable value, with the cost being determined on a first-in, first out basis.

Property and Plant Held for Sale

Property and plant held for sale is comprised of land and building for a residential rental property accounted for at the lower of their carrying amount or fair value less costs to sell. Building was depreciated using the declining balance method at 4% and was disposed of during the year.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost. The society provides amortization using the following methods and rates:

	<u>Method</u>	<u>Rate</u>
Building	Declining balance	4%
Automotive	Declining balance	30%
Furniture and fixtures	Declining balance	20%
Computer equipment	Declining balance	30%
Parking lot	Declining balance	8%

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Notes to the Financial Statements
Beehive Support Services Association
March 31, 2016

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Financial Instruments

The organization does not disclose fair value information about financial assets and liabilities for which fair value was not readily obtainable.

Other amounts noted on the Balance Sheet such as inventory, prepaid expenses and property, plant and equipment are not financial instruments.

Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include accounts receivable.

Financial liabilities measured at amortized cost include accounts payable, PDD surplus payable and mortgages payable.

The organization holds nil financial instruments measured at fair value.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction costs

The organization recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance, or assumption.

Note 2: Discontinued Operations

On January 3, 2016 the organization completed the sale of its Bottle Depot operations. Since that date, past and current operating results and cash flows for this operation are presented as discontinued operations. All Bottle Depot assets and liabilities have been sold or extinguished. A gain of \$951,550 on disposal of the Depot License and a gain of \$6,454 on disposal of equipment has been recognized in the current year. Operating results for the years ending March 31, 2016 and March 31, 2015 are disclosed on Schedule 1.

Notes to the Financial Statements
Beehive Support Services Association
March 31, 2016

Note 3: Property, Plant and Equipment

			2016	2015
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 10,450	\$ -	\$ 10,450	\$ 54,253
Building	507,915	219,568	288,347	564,045
Automotive	77,427	43,492	33,935	35,645
Furniture and fixtures	32,196	22,864	9,332	35,663
Computer equipment	16,083	14,441	1,642	23,269
Parking lot	-	-	-	6,403
	<u>\$ 644,071</u>	<u>\$ 300,365</u>	<u>\$ 343,706</u>	<u>\$ 719,278</u>

Amortization provided for in the current period totalled \$36,452; (2015 - \$60,713).

Note 4: Bank Loans Payable

The society is applying the requirements of Generally Accepted Accounting Principles Emerging Issues Abstract number 122, which requires all callable debt obligations to be classified as current liabilities regardless of repayment schedule and compliance with covenants. As of the year end date, the society is in compliance with the terms and conditions of its credit facilities.

Although the long term debt has been classified as a current liability due to its demand nature, it is subject to the repayment terms as outlined below.

	2016	2015
Mortgage payable, due May 2020, with monthly instalments of \$1,073 including principal and interest at 2.90% per year, secured by a collateral mortgage against land and buildings with a carrying value of \$233,230 and a general assignment of rents and leases.	\$ 150,701	\$ 159,046
Finance contract payable in monthly payments of \$315 including interest at 6.99%, secured by a general security agreement on automotive equipment, repaid in full during the year.	-	10,208
	<u>150,701</u>	<u>169,254</u>
Principal amount payable within one year	<u>8,785</u>	<u>10,495</u>
Principal amount payable after one year	<u>\$ 141,916</u>	<u>\$ 158,759</u>

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Notes to the Financial Statements
Beehive Support Services Association
March 31, 2016

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Principal amounts payable in future years are as follows:

2017	\$ 8,785
2018	9,034
2019	9,289
2020	9,551
2021	9,821
thereafter	<u>104,221</u>
	<u>\$ 150,701</u>

Note 5: Bank Overdraft

Bank overdraft bears interest at prime plus 0.75%, is due on demand and is secured by a general security agreement. The overdraft limit is \$150,000; at year end the overdraft balance was nil.

Note 6: Investment in Property, Plant and Equipment

Investment in property, plant and equipment represents the excess of the combined value of appraised land and buildings with the historical cost of unappraised land and buildings over the related long-term debt on these properties.

Note 7: Grant Revenue

	<u>2016</u>	<u>2015</u>
Province of Alberta - Persons With Developmental Disabilities (PDD)	\$ 1,891,165	\$ 2,200,940
Province of Alberta - Other	4,620	-
Town of Drayton Valley	3,750	3,750
County of Parkland	3,000	3,000
County of Brazeau	<u>2,000</u>	<u>2,000</u>
	<u>\$ 1,904,535</u>	<u>\$ 2,209,690</u>

Notes to the Financial Statements
Beehive Support Services Association
March 31, 2016

Note 8: Notes to the Statement of Cash Flows

	2016	2015
Net change in non-cash working capital is comprised of:		
Accounts receivable	\$ 44,358	(1,218)
Inventory	6,016	(3,623)
GST rebates receivable	5,294	8,084
Prepaid expenses	3,981	800
Accounts payable	8,167	(82,790)
PDD surplus payable	(2,734)	(136,384)
Deferred revenue	147,851	22,174
	<u>\$ 212,933</u>	<u>\$ (192,957)</u>

	2016	2015
Cash flows from discontinued operations is comprised of:		
Excess of revenue over expenses from operations	\$ 55,274	\$ 85,610
Proceeds on disposal of depot license	951,550	-
Proceeds on disposal of equipment	23,450	-
	<u>\$ 1,030,274</u>	<u>\$ 85,610</u>

Cash consists of the following:		
Guaranteed investment certificates	\$ 2,244,782	\$ 168,871
Bank balances	746,484	547,433
Cash on hand and bottle depot floats	250	17,453
	<u>\$ 2,991,516</u>	<u>\$ 733,757</u>

The company determines cash to be cash on hand, bank balances and guaranteed investment certificates.

Note 9: PDD Surplus Repayment

The society is under contractual agreement with Persons with Developmental Disabilities (PDD) to return surplus funds received during the year in excess of costs incurred in the delivery of service to its clients. From time to time these surplus amounts may be applied to additional service.

Beginning September 1, 2013, the organization may retain surpluses that arise from operating efficiencies if care has been fully delivered based on qualitative outcome reporting.

	2016	2015
PDD surplus payable consists of the following:		
PDD budget surplus - 2015	\$ 21,367	\$ 21,367
PDD budget surplus - 2013	16,908	19,642
	<u>\$ 38,275</u>	<u>\$ 41,009</u>

Notes to the Financial Statements
Beehive Support Services Association
March 31, 2016

Note 10: Financial Instruments

Risks and concentrations

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the entity's risk exposure and concentrations at the balance sheet date.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company is exposed to this risk mainly in respect of its accounts payable, PDD surplus payable and mortgages payable.

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 organization is exposed to credit risk on its accounts receivable. In order to reduce its credit risk, the organization has adopted credit policies which include the analysis of the financial position of its customers and regular review of their credit limits. An allowance for doubtful accounts has been established, if necessary, based upon factors surrounding the credit risk of specific customers, historical trends and other information.

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 risk, interest rate risk and other price risk.

It is management's opinion that the organization is not exposed to significant market risk arising from its financial instruments.

Note 11: Measurement Uncertainty

The financial statements have been prepared in accordance with generally accepted accounting policies. The precise value of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of approximations which have been made using careful judgement. Actual results could differ from those approximations.

Note 12: Exemption from Income Tax

The Society is a non-profit organization and is therefore exempt from income tax under Section 149(1)(l) of the Income Tax Act.

Notes to the Financial Statements
Beehive Support Services Association
March 31, 2016

Note 13: Subsequent Event

The organization purchased a new facility for its clients and staff April 29, 2016 from the Drayton Valley Community Foundation. The organization paid \$1.55 million cash for the property of which a \$300,000 endowment fund was initiated with the Foundation. Investment returns from the endowment will be available to the organization annually.