

Edmonton Northlands

Statement of Financial Position

| | December 31, 2018 | December 31, 2017 |
|--|----------------------|-----------------------|
| Assets | | |
| Current | | |
| Cash and cash equivalents | \$ 4,110,539 | \$ 2,978,186 |
| Accounts receivable [note 5] | 6,188,687 | 6,185,933 |
| Inventories | 186,682 | 535,440 |
| Prepays | 293,873 | 593,399 |
| Assets held for sale [note 6] | 218,965 | 2,691,460 |
| | 10,998,746 | 12,984,418 |
| Long term receivable [note 5] | 712,721 | - |
| Leased assets and capital assets [note 7] | 669,613 | 125,187,629 |
| Land use right [note 7] | - | 3,878,762 |
| | \$ 12,381,080 | \$ 142,050,809 |
| Liabilities and Net Assets | | |
| Current | | |
| Bank indebtedness [note 8] | \$ - | \$ 1,218,038 |
| Accounts payable and accrued liabilities | 6,675,289 | 16,038,757 |
| Deferred contributions and revenue [note 14] | 1,589,556 | 240,064 |
| Funds held for others [note 9] | 24,208 | 7,579 |
| Current portion of long-term debt [note 10] | - | 4,439,391 |
| | 8,289,053 | 21,943,829 |
| Long-term debt [note 10] | - | 43,556,258 |
| Deferred capital contributions [note 11] | - | 82,628,104 |
| | 8,289,053 | 148,128,191 |
| Net Assets | | |
| Share capital [note 13] | 105 | 115 |
| Invested in capital assets | 888,578 | 1,538,887 |
| Unrestricted | 3,203,344 | (7,616,384) |
| | 4,092,027 | (6,077,382) |
| | \$ 12,381,080 | \$ 142,050,809 |

Going concern [note 2]

Commitments and contingencies [note 12]

See accompanying notes to the financial statements

On behalf of the Board:



Director



Director

Edmonton Northlands

Statement of Operations

Year Ended December 31

| | 2018 <small>(Note 16 – discontinued operations)</small> | 2017 |
|---|--|-----------------------|
| Revenues | | |
| Northlands Park <i>[note 16]</i> | \$ 41,388,825 | \$ 44,616,231 |
| Northlands Coliseum <i>[note 7]</i> | - | 5,738,252 |
| Agriculture and Signature Events <i>[note 7 and 16]</i> | 16,928,607 | 22,770,842 |
| EXPO Centre <i>[note 7]</i> | - | 17,288,300 |
| | 58,317,432 | 90,413,625 |
| Expenditures | | |
| Northlands Park <i>[note 16]</i> | 44,461,695 | 48,371,659 |
| Northlands Coliseum <i>[note 7]</i> | - | 6,664,226 |
| Agriculture and Signature Events <i>[note 7 and 16]</i> | 17,881,509 | 21,436,181 |
| EXPO Centre <i>[note 7]</i> | - | 14,445,790 |
| | 62,343,204 | 90,917,856 |
| Deficiency of revenues over expenditures before other items | (4,025,772) | (504,231) |
| Other items | | |
| Advertising and promotion | 3,108,428 | 4,870,996 |
| Amortization of deferred capital contributions <i>[note 11]</i> | (2,296,362) | (4,272,779) |
| Depreciation of leased assets and capital assets | 2,769,276 | 7,097,344 |
| (Gain) loss on disposal of capital assets <i>[note 7]</i> | (13,875,004) | 979 |
| Impairment <i>[note 7]</i> | 3,816,122 | - |
| General, administration and corporate programs | 6,921,835 | 8,659,231 |
| Indirect grounds and building maintenance | 1,452,396 | 6,241,683 |
| Interest on long-term debt | - | 2,559,274 |
| Sales, marketing and sponsorship income | (1,287,241) | (2,382,361) |
| Total other items | 609,450 | 22,774,367 |
| Deficiency of revenues over expenditures before grant revenue | (4,635,222) | (23,278,598) |
| Grant revenues | | |
| Alberta Culture & Tourism | 7,674,000 | 7,324,014 |
| Horse Racing Alberta | 6,703,650 | 7,137,058 |
| Other grant revenue | 426,991 | 760,781 |
| Total grant revenues <i>[note 14]</i> | 14,804,641 | 15,221,853 |
| Excess (deficiency) of revenues over expenditures | \$ 10,169,419 | \$ (8,056,745) |

See accompanying notes to the financial statements

Edmonton Northlands

Statement of Changes in Net Assets

Year Ended December 31

| | Share Capital | Invested in Capital Assets | Unrestricted | 2018 | 2017 |
|---|------------------|-------------------------------|-----------------------|-----------------------|----------------|
| Balance, beginning of year | \$ 115 | \$ 1,538,887 | \$ (7,616,384) | \$ (6,077,382) | \$ 1,981,013 |
| Excess (deficiency) of revenues over expenditures | - | - | 10,169,419 | 10,169,419 | (8,056,745) |
| Disposition of capital assets | - | (138,647,910) | 138,647,910 | - | - |
| Depreciation of capital assets | - | (2,769,276) | 2,769,276 | - | - |
| Impairment of capital assets | - | (3,801,648) | 3,801,648 | - | - |
| Purchase of leased assets and capital assets | - | 474,558 | (474,558) | - | - |
| Gain on disposal of capital assets | - | 13,875,004 | (13,875,004) | - | - |
| Amortization of deferred capital contributions | - | 2,296,362 | (2,296,362) | - | - |
| Decrease in deferred capital contributions | - | 79,926,952 | (79,926,952) | - | - |
| Repayment of long-term debt | - | 47,995,649 | (47,995,649) | - | - |
| Decrease in share capital | (10) | - | - | (10) | (1,650) |
| Balance, end of year | \$ 105 | \$ 888,578 | \$ 3,203,344 | \$ 4,092,027 | \$ (6,077,382) |

See accompanying notes to the financial statements.

Edmonton Northlands

Statement of Cash Flows

Year Ended December 31

| | 2018 | 2017 |
|---|---------------------|---------------------|
| Cash Provided By (Used In): | | |
| Operating Activities | | |
| Excess (deficiency) of revenues over expenditures | \$ 10,169,419 | \$ (8,056,745) |
| Items not affecting cash: | | |
| Depreciation of leased assets and capital assets | 2,769,276 | 7,097,344 |
| Impairment of capital assets and inventory | 3,816,122 | - |
| (Gain) loss on disposal of capital assets | (13,875,004) | 979 |
| Amortization of deferred capital contributions | (2,296,362) | (4,272,779) |
| | 583,451 | (5,231,201) |
| Increase (decrease) in non-cash operating working capital | | |
| Accounts receivable | (2,754) | (843,337) |
| Inventories | 334,284 | 371,650 |
| Prepays | 299,526 | 18,778 |
| Accounts payable and accrued liabilities | (4,771,172) | 4,877,213 |
| Deferred contributions and revenue | 1,349,492 | 18,940 |
| Funds held for others | 16,629 | (2,363,178) |
| Cash (used in) operating activities | (2,190,544) | (3,151,135) |
| Investing Activities | | |
| Proceeds on disposal of capital assets | 5,015,503 | - |
| Purchase of capital assets | (474,558) | (382,144) |
| Cash provided by (used in) investing activities | 4,540,945 | (382,144) |
| Financing Activities | | |
| (Decrease) increase in bank indebtedness | (1,218,038) | 1,218,038 |
| Repayment of long-term debt | - | (554,199) |
| Decrease in share capital | (10) | (1,650) |
| Cash (used in) provided by financing activities | (1,218,048) | 662,189 |
| Net increase (decrease) in cash and cash equivalents | 1,132,353 | (2,871,090) |
| Cash and cash equivalents, beginning of year | 2,978,186 | 5,849,276 |
| Cash and cash equivalents, end of year | \$ 4,110,539 | \$ 2,978,186 |

Supplemental cash flow information [note 15]

See accompanying notes to the financial statements