

Tourism, Parks and Recreation

Annual Report
2012-2013

Alberta 

Note to Readers:

Copies of the annual report are available on the website or by contacting:

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Tourism, Parks and Recreation

Annual Report 2012-13

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 18 ministries.

The annual report of the Government of Alberta contains ministers' accountability statements, the consolidated financial statements of the province and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

On May 8, 2012, the government announced new ministry structures. The 2012-13 ministry annual reports and financial statements have been prepared based on the new ministry structure.

This annual report of the Ministry of Tourism, Parks and Recreation contains the minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- **the financial statements of entities making up the ministry including the Department of Tourism, Parks and Recreation and provincial agencies for which the minister is responsible; and**
- **other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.**

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2013, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at June 19, 2013, with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[original signed by]

Dr. Richard Starke

Minister of Tourism, Parks and Recreation

Message from the Minister

Our government's Building Alberta Plan: Invests in families and communities, including the new roads, schools and health facilities our growing province needs; ensures we live within our means, by challenging every dollar the government spends and making sure every program continues to deliver real results for people; and builds new markets for all our resources so we get the fairest price and we protect the jobs and prosperity Albertans depend on.

The Ministry of Tourism, Parks and Recreation is putting the Building Alberta Plan into action. Through the results-based budgeting review, we are identifying opportunities for more efficient coordination within government and with other stakeholders, leading to more effective ways of making Alberta an even better place to live, visit and play.

Tourism, a \$7.8 billion industry employing approximately 139,000 people in more than 19,000 businesses, is key to diversifying Alberta's economy. In 2012, the Government of Alberta seized an opportunity to promote our province while the world was in London for the Summer Olympics. We shared Alberta's story on this world stage and continued to build relationships with key international travel decision makers, business leaders and investors.

Through collaboration with industry partners and other government ministries, we will continue to grow the tourism sector. A sport tourism pilot project for the International Ski Federation World Cup in Canmore was a great example of this collaboration. Sport tourism is one of the fastest growing segments of the Canadian tourism industry, with travellers spending about \$3.6 billion each year nationally. Recognizing that potential, our department partnered with Travel Alberta, the Ministry of Culture and local organizers to augment the race through the addition of a Nordic festival and cultural events. This effort attracted new tourists, raised the awareness of Alberta as a sport destination, generated new tourism business, and increased international recognition of our province's active communities, people and natural landscapes. The pilot also contributed to the ongoing implementation of *Active Alberta*, a policy designed to improve the lives of Albertans through recreation, active living and sport.

For many Albertans, active living is connected with spending time in Alberta's provincial parks. Our ministry continues to implement the *Plan for Parks*, a 10-year blueprint to ensure sustainability of the land and enhance recreational opportunities. We are working to expand our provincial parks system through the completion of the Lower Athabasca Regional Plan under the *Land-use Framework*. The Lower Athabasca Regional Plan provides for the creation of 14 new and expanded wildland provincial parks and recreation areas, increasing our provincial parks system by 11,600 square kilometres. To enhance the experience of park visitors, we invested approximately \$12.7 million in parks infrastructure, which included water treatment and facility upgrades, paving and other refurbishments in provincial parks and recreation areas.

This past year presented our ministry with many exciting and innovative opportunities to enhance what we have to offer Albertans and visitors, and our accomplishments are highlighted in this report. We look forward to building on our achievements in the upcoming year to ensure our quality of life continues to be second to none.

[original signed by]

Dr. Richard Starke

Minister of Tourism, Parks and Recreation

Management's Responsibility for Reporting

The Ministry of Tourism, Parks and Recreation includes: the Department of Tourism, Parks and Recreation; Travel Alberta and the Alberta Sport, Recreation, Parks and Wildlife Foundation.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Tourism, Parks and Recreation. Under the direction of the minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – information agrees with underlying data and the source used to prepare it.
- Understandability and Comparability – current results are presented clearly in accordance with the stated methodology and are comparable with previous results.
- Completeness – performance measures and related targets match those included in Budget 2012.

As deputy minister, in addition to program responsibilities, I am responsible for the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, the President of Treasury Board, the Minister of Finance and the Minister of Tourism, Parks and Recreation information needed to fulfil their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executive of the individual entities within the ministry.

[original signed by]

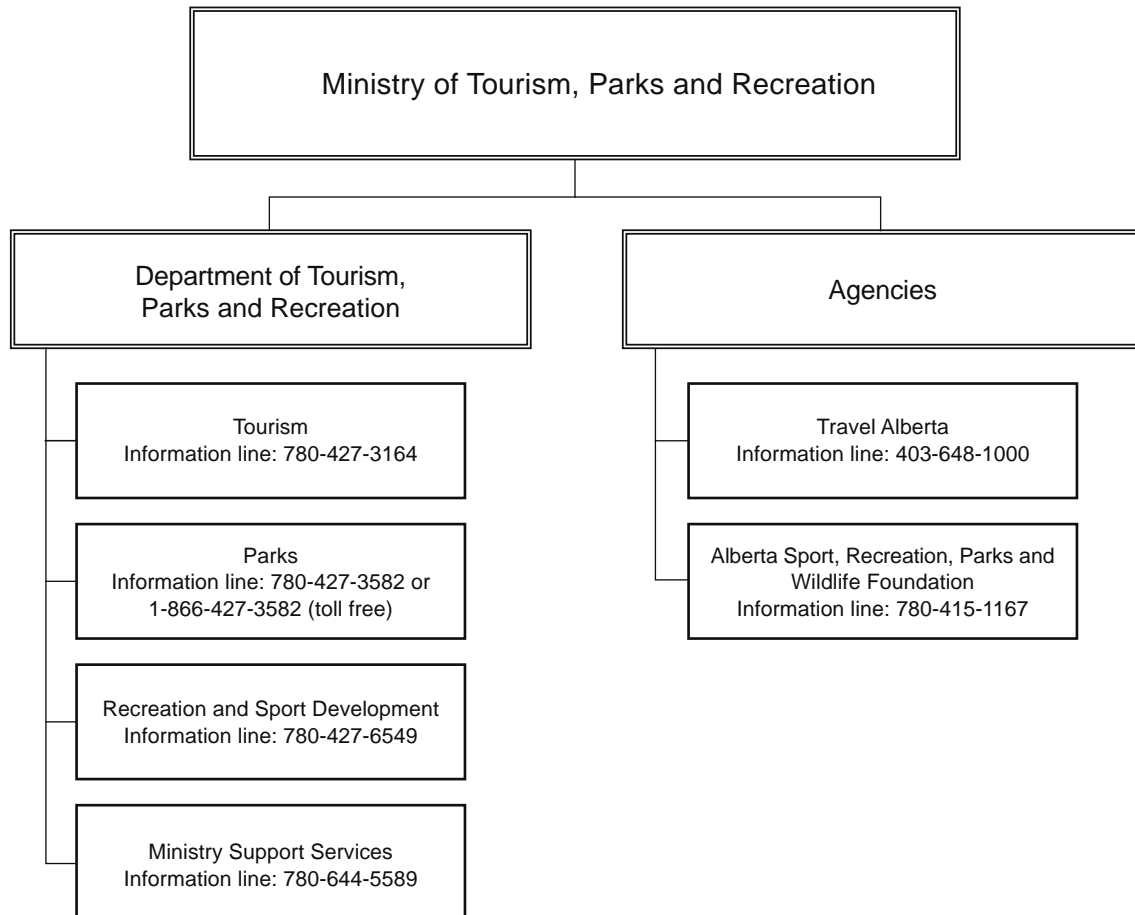
Brad Pickering

Deputy Minister of Tourism, Parks and Recreation

June 19, 2013

Results Analysis

Ministry Overview



The ministry consists of the department; Travel Alberta; and the Alberta Sport, Recreation, Parks and Wildlife Foundation. The following description of the ministry's structure provides an overview of the range of programs and services available.

Department

1. Tourism

The Tourism Division supports the development of new, authentic and innovative tourism products and services to grow Alberta as a tourism destination. It provides advisory and consultative services through workshops and training programs, and financial support through grants and contracts. Work is done with industry, government and other stakeholders to encourage tourism product and destination development and reduce impediments to growth. The Tourism Division also conducts research and collects and distributes tourism data and market intelligence to the tourism industry. In partnership with industry, the division works to increase air capacity to Alberta's key markets and encourage the federal government to adopt policies that enhance air service to Alberta. Additionally, the division encourages private sector investment in Alberta's tourism industry from domestic and international sources. The division provides convenient, relevant and engaging information and services to consumers both during the trip planning stage, through the 1-800-ALBERTA Travel Alberta Contact Centre and distribution centre, and during their travel journey through the operation of 10 border entry point visitor information centres. Support is also provided to approximately 130 community and regional visitor information centres throughout the province to assist them in providing professional visitor services. A digital assets library supports destination marketing organizations and tourism operators by providing compelling images and footage. Other ministries also use the library images and footage for their initiatives.

2. Parks

The Parks Division is responsible for the management of Alberta's parks system, which includes wilderness areas, ecological reserves, natural areas, heritage rangelands, provincial parks, wildland provincial parks, provincial recreation areas and Willmore Wilderness Park. The parks system is managed to conserve Alberta's natural heritage while offering a diversity of recreation opportunities for Albertans and visitors to the province. Provincial parks also serve as natural laboratories for scientific research, provide a venue for environmental education, and support primary, secondary and post-secondary education. The division also maintains the Alberta Conservation Information Management System, which is a key part of the province's biodiversity database, and coordinates Alberta's involvement in the Canadian Heritage Rivers Program. Alberta's provincial parks offer 242 auto access and backcountry campgrounds providing nearly 14,000 campsites and 168 group use areas. The Parks Division manages Alberta's online campground reservation system, www.Reserve.AlbertaParks.ca, that enables visitors to better plan their park experiences.

3. Recreation and Sport Development

The Recreation and Sport Development Division collaborates with communities and organizations to promote active and healthy lifestyles through participation in recreation, active living and sport. The division ensures the strategic priorities and outcomes from the *Active Alberta* policy are met and supports

organizations who play a key role in the delivery of programs and services that promote the health, social and economic benefits of recreation, active living and sport. The division supports athlete training, development of coaches and the pursuit of athletic excellence through interprovincial and international games. The Recreation and Sport Development Division encourages recreation opportunities by assisting in the development of trails and supporting groups who build trails. It also provides consultative and administrative support to the Alberta Sport, Recreation, Parks and Wildlife Foundation.

4. Ministry Support Services

Ministry Support Services includes the minister's office; deputy minister's office; communications; human resource services; financial services; policy, planning, legal and legislative services; and information management and technology services. These services are provided to the entire ministry to optimize operating efficiency.

Agencies

1. Travel Alberta

Alberta's tourism marketing initiatives are carried out through Travel Alberta, the tourism marketing agency of the Government of Alberta. Travel Alberta is the steward for the Alberta Provincial Tourism Brand and manages regional, national and international tourism marketing programs, services and activities to keep Albertans travelling through Alberta and to drive tourism visitation and revenue for the province. Travel Alberta also provides marketing support including news and information, cooperative funding, and learning opportunities to help provincial tourism partners grow their businesses.

2. Alberta Sport, Recreation, Parks and Wildlife Foundation

The Alberta Sport, Recreation, Parks and Wildlife Foundation is committed to helping people lead active, healthy lives and enhancing the quality of life in Alberta's communities. The foundation provides provincial leadership in inspiring wellness, celebrating achievements, guiding stewardship and enabling participation for all Albertans. It offers a wide variety of programs and services from grant programs that assist local clubs, organizations, communities, and provincial sport and recreation organizations; to the support provided to provincial and interprovincial games, and the preservation of natural land and wildlife habitat throughout Alberta.



Review Engagement Report

To the Members of the Legislative Assembly

I have reviewed the performance measures identified as reviewed by the Office of the Auditor General in the Ministry of Tourism, Parks and Recreation's Annual Report 2012-2013. The reviewed performance measures are the responsibility of the ministry and are prepared based on the following criteria:

- Reliability – The information used in applying performance measure methodologies agrees with underlying source data for the current and prior years' results.
- Understandability – The performance measure methodologies and results are presented clearly.
- Comparability – The methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness – The goals, performance measures and related targets match those included in the ministry's budget 2012.

My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the ministry.

A review does not constitute an audit and, consequently, I do not express an audit opinion on the performance measures. Further, my review was not designed to assess the relevance and sufficiency of the reviewed performance measures in demonstrating ministry progress towards the related goals.

Based on my review, nothing has come to my attention that causes me to believe that the performance measures identified as reviewed by the Office of the Auditor General in the ministry's annual report 2012-2013 are not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability, and completeness as described above.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 16, 2013

Edmonton, Alberta

Performance measures reviewed by the Office of the Auditor General are noted with a double asterisk (**) on the Performance Measures Summary Table

Performance Measures Summary Table

Goals/Performance Measure(s)	Prior Years' Results				Target	Current Actual	
1. Alberta's tourism products are developed and expanded, and tourism from targeted local, national and international markets is increased							
1.a	Percentage of tourism industry clients satisfied with tourism development services	71.6% 2008-09	76.6% 2009-10	79.3% 2010-11	76.7% 2011-12	79.0% 2012-13	82.8% 2012-13
1.b	Total tourism expenditures in Alberta (\$billion)*	5.7 2008	5.4 2009	5.5 2010	5.7 ^e 2011	5.8	Not Available 2012
1.c	Percentage of clients satisfied with their overall experience at provincial visitor information centres**	99.8% 2008	97.0% 2009	98.2% 2010	97.5% 2011	98.0%	99.0% 2012
2. The Alberta parks system provides opportunities for outdoor recreation and tourism, and conserves Alberta's natural heritage							
2.a	Percentage of adult Albertans who visited a provincial park in the last 12 months	32.8% 2008-09	30.2% 2009-10	31.5% 2010-11	33.4% 2011-12	33.0%	32.1% 2012-13
2.b	Percentage of visitors satisfied with the quality of services and facilities at provincial parks	93.3% 2008-09	94.7% 2009-10	93.1% 2010-11	93.8% 2011-12	93.0%	95.1% 2012-13
3. Albertans enjoy a high quality of life, improved health and wellness, strong communities, economic benefits and personal excellence and fulfillment through recreation, active living and sport							
3.a	Percentage of adult Albertans who participated in recreational activities and sport **	85.6% 2008-09	80.4% 2009-10	88.2% 2010-11	84.8% 2011-12	84.0%	81.6% 2012-13
3.b	Percentage of Albertans age 12-19 who are active or moderately active in their leisure time***	73.1% 2008	75.5% 2009	74.7% 2010	72.6% 2011	76.0%	Not Available 2012

* The 2012 estimate is not provided due to a significant change in methodology by Statistics Canada. Figures using the new methodology are presented alongside new targets in the *2013-16 Tourism, Parks and Recreation Business Plan*.
e – Estimate is based on the previous methodology.

** Indicates performance measures that have been reviewed by the Office of the Auditor General. The performance measures indicated with ** were selected for review by ministry management based on the following criteria established by government:

- Enduring measures that best represent the goal,
- Measures for which new data is available, and
- Measures that have well established methodology.

*** An online update of this measure will be posted when the information is available.

For more detailed information see Performance Measures: Data Sources and Methodology on pages 131-133.

Discussion and Analysis of Results

Goal One

Linked to Core Business – Tourism research, marketing, product development, and visitor and industry services

Alberta's tourism products are developed and expanded, and tourism from targeted local, national and international markets is increased

Overview

Tourism, Parks and Recreation supports this goal by working collaboratively with industry stakeholders and all levels of government to facilitate the expansion of Alberta's tourism sector and increase awareness of the economic significance of tourism. The ministry supports the development of tourism experiences, products and destinations throughout the province. The ministry provides travel information and counselling through the Travel Alberta Contact Centre, provincial visitor information centres, community and regional visitor information centres and the Travel Alberta website. The ministry researches, collects, interprets and distributes tourism data and market intelligence for industry stakeholders to identify business and collaborative opportunities.

Results

Led by the Premier, Alberta's mission to the 2012 Olympics in London provided opportunities to connect with key international travel decision-makers, business leaders and investors. A tourism luncheon hosted at Canada House for more than 60 travel industry executives highlighted the breadth of available experiences for visitors and investment opportunities. Additional meetings with tour operators, airlines, resort developers and owners provided insight into the needs and preferences of United Kingdom and European travellers while encouraging further investment in Alberta and improving air access to the province.

In 2012-13, the tourism levy totalled almost \$82 million, an increase of approximately 13 per cent compared to 2011-12. This increase is indicative of greater levels of activity by Albertans and other visitors travelling around the province using accommodations like hotels, motels, bed and breakfasts, or similar establishments. The province, other levels of government, partners and industry worked to grow tourism by addressing the need for the development and marketing of tourism experiences, products and destinations across the province.

DID YOU KNOW?

Each year, between May and October more than 190,000 visitors receive personalized trip planning services at provincial visitor information centres. The visitor information centre staff offer travel information and advice about attractions, activities, accommodations and special events.

As an example, the ministry and the tourism industry supported an innovative, collaborative tourism model piloted by the Canadian Badlands. This not-for-profit corporation represents the interests of 65 municipalities and is integrating tourism destination development, management and marketing across the 90,000 square kilometre region in southeast Alberta. Support was also provided for developing a

DID YOU KNOW?

In 2012-13, two new trail maps were released. A new Grande Alberta South Trail Map in June, the third in a series of 16 trail maps planned for Alberta under the Provincial Trail Map Project. The map is the result of collaborative efforts of the ministry with Alberta TrailNet, various trail groups and community associations. The fourth Grande Alberta North trails map was released January 2013. The maps are available at visitor information centres across Alberta and online at www.albertatrailnet.com.

world-class trail head at Canmore Provincial Visitor Information Centre by linking it to the Rocky Mountain Legacy Trail. The planned work will create a four-season destination with opportunities for cycling, walking or running experiences at the recreational or competitive level.

Through the results-based budgeting review process, it was identified there is an opportunity to better align and coordinate government processes relating to sporting events. In addition, there are opportunities for strengthening relationships and linkages between sport, tourism, culture and other government sectors

(local, provincial, federal) when planning and executing these events. One of the desired outcomes is to enhance the profile and appeal of Alberta as the host destination and attract external visitation and expenditures to the province.

Through sport tourism events, the province attracts new visitors, raises awareness of Alberta as a sport destination, generates new tourism business and increases international recognition for the province's active communities, people and natural landscapes. Sport tourism is one of the fastest growing segments of the Canadian tourism industry with travellers spending about \$3.6 billion each year nationally. The ministry piloted the viability of using competitive sport tourism to maximize its contribution to Alberta's economy at the International Ski Federation Cross Country World Cup in Canmore. Together, the ministry and the Ministry of Culture provided \$895,000 in support of the Alberta World Cup 2012. This included \$200,000 from Travel Alberta to the Alberta World Cup Society to produce the opening sequence broadcast presenting Alberta's communities, people and natural landscapes to the thousands of spectators in Canmore and reaching an estimated television audience of over 30 million viewers around the world. Support included Canmore Business and Tourism receiving funding to launch a new Canmore Nordic Festival adding a festival atmosphere and showcasing Aboriginal and culinary experiences during the World Cup. A recent analysis of four Winter Olympic sporting events held in 2011 demonstrated significant economic benefits to the

DID YOU KNOW?

In 2012-13, the ministry updated the collection of images and footage in its Digital Assets Library by adding 2,378 new images. Several summer shoots were completed including new footage from three major Edmonton festival events: Servus Heritage Festival, the Edmonton International Fringe Theatre Festival and the Edmonton Folk Music Festival. Winter shoots added new footage on Banff, Lake Louise and Jasper. These resources are available to members of the tourism industry and government for promotion of Alberta as a destination.

provincial economy. An estimated \$9 million in direct visitor and operational expenditures generated a net economic impact of \$10.6 million province-wide, sustaining 157 person-years of employment, and approximately \$4 million in total taxation revenue to all three levels of government.

In 2012-13, through the Festivals and Events Tourism Growth Program, 14 grants totalling over \$400,000 were issued to organizations throughout the province. The goal is to support the development of event growth strategies, increase attendance and expenditures, strengthen tourism partnerships and enhance the visitor experience.

Events receiving support were as diverse as the communities where they were held: Outdoor events like the Canadian Rockies Snow Battle in Jasper and the Edmonton International Street Performers Festival, art events like the Calgary Opera Summer Festival and the Wild Mountain Music Festival in Hinton, to community events like the Brooks Medieval Faire, Falher Honey Festival, or Lloydminster Colonial Days.

The ministry commenced several significant research projects in 2012-13 to support industry throughout the province. An example of this research was a study to examine the potential demand for rural vacation experiences in Alberta. As approximately 86 per cent of visits in Alberta and 65 per cent of Alberta's total tourism expenditures are Albertans travelling around the province, it is important to understand potential demand from urban Albertans to take a vacation in rural Alberta. This information will help the ministry in product and experience development and determine preferences to access information related to vacation experiences. Other studies that the ministry completed in 2012-13 include: an economic impact study of tourism by *Land-use Framework* region; an assessment of the economic impact of recreational vehicle camping in Alberta; a global tourism watch study; a Travel Alberta study on market potential for Ontario; and an analysis of support for sport tourism identifying barriers for organizations and determining critical factors for success.

The ministry enhanced support to the Alberta Culinary Tourism Alliance in 2012-13. This support enabled the alliance to generate interest for culinary tourism in Alberta through presentations to industry at the Tourism Calgary Tourism Talk session and at the Travel Alberta Industry Conference. The Alberta Culinary Tourism Alliance also developed the Alberta Ate Chef Collaborative as a medium to share unique food programming and events that will enhance collaboration between food, agriculture, and tourism industries and share Alberta's diverse Aboriginal food stories with visitors from and outside of the province.

The ministry worked collaboratively with Treaty 7 Management Corporation to coordinate tourism planning, development and delivery of Aboriginal tourism initiatives within their region. Tasting Terroir: Alberta's Aboriginal Appeal, was a collaborative event between the ministry, Alberta Culinary Tourism Alliance, the Ministry of Culture and Treaty 7 representatives. Nearly 90 guests at communal tables engaged with chefs and elders over stories and cultural insights about the connection of food to the land, cooking processes, preservation and Aboriginal serving techniques.

The ministry led discussions around cost competitiveness of air travel in Canada at the Council of Canadian Tourism Ministers Meeting on May 10-11, 2012. The discussions focused on the cost of air travel fees and taxes associated with travelling.

Tourism ministers heard a number of recommendations that continue to be the focus of discussions with Transport Canada including the elimination of airport rents and the air traveller security charge. Led by Alberta, the Council of Tourism Ministers will continue discussions on air competitiveness at the next meeting scheduled for Whitehorse, Yukon in September 2013.

DID YOU KNOW?

Travel Alberta won the Canadian Tourism Award for Marketing Campaign of the Year for its Winter Sport in Alberta campaign. Travel Alberta partnered with KLM Royal Dutch Airlines to develop an innovative campaign of online, radio, print and social media activities which resulted in increased travel to Alberta from the Netherlands for both summer and winter 2012. KLM has now increased flight frequency to Alberta from seasonal to year round service.

The ministry facilitated discussions on the merging of Fort McMurray Tourism operations into the Oil Sands Discovery Centre. An agreement between the ministries of Culture and Infrastructure and Fort McMurray Tourism was signed. This unique partnership will provide visitors to Fort McMurray and the Oil Sands Discovery Centre with enhanced visitor services.

In partnership with the Calgary Airport Authority and Calgary Tourism, the ministry supported a pilot project providing visitor information services at the international arrivals level of the Calgary International Airport from May to September 2012. All partners recognized the benefit of engaging visitors arriving at the airport and the pilot project has been extended with visitor information services continuing to be provided at the airport.

DID YOU KNOW?

Travel Alberta partnered with The Big Valley Jamboree to present Small Town Saturday Night, celebrating the big stories Alberta's rural communities have to share. Alberta communities of fewer than 20,000 people could enter to win their own concert by submitting a video showcasing their community's spirit, local events and attractions. In April 2012, the grand prize was awarded to the community of Legal which raised nearly \$100,000 from ticket sales from the concert for the construction of a new school playground. The initiative ran again in 2013 and the top ten videos were announced on March 25 for public voting. The grand prize was awarded to the community of Bashaw and ticket sales will fund their community arts program.

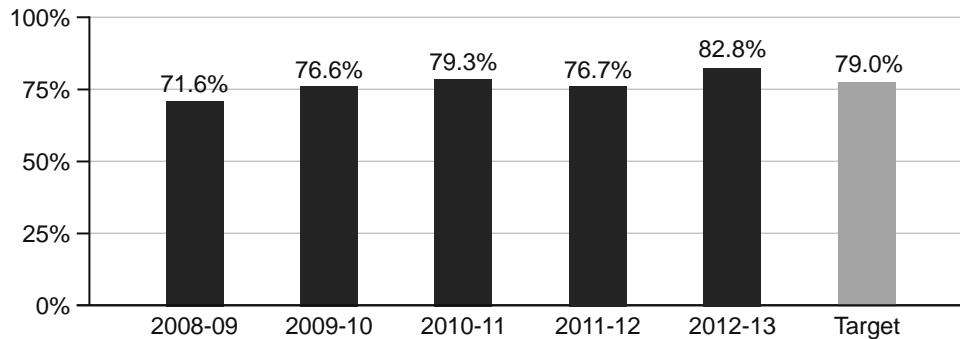
In 2012-13, Travel Alberta's media objective was to support marketing efforts regionally, nationally and internationally by selectively increasing exposure for Alberta travel experiences across influential media platforms. The first-phase of brand videos received more than 1.5 million views on YouTube. To build on that, in October 2012, Travel Alberta revealed the next phase of its experiential brand "remember to breathe". Part of this expansion was the implementation of the Alberta Stories initiative which showcases hidden gems and lesser known experiences from all corners of the province. These documentary-style stories added further depth to awareness of Alberta as a tourism destination by showcasing the people, events and places that define Alberta's character.

In total, Travel Alberta realized more than \$281 million in unpaid media exposure for the province. This was achieved by positioning

Alberta's tourism brand and working with targeted travel media to tell Alberta's tourism story in 11 key markets around the world.

Performance Measures

1.a Percentage of tourism industry clients satisfied with tourism development services



Source: Tourism Division Client Satisfaction Survey

Description

This measure indicates the percentage of public and private sector tourism industry clients who were satisfied with their contact with the Tourism Division. The division provides a range of information and advisory resources for new and expanded tourism development projects throughout Alberta. Services are organized under three distinct program areas: resource management and development; destination development and product enhancement; and tourism business development and investment.

Results

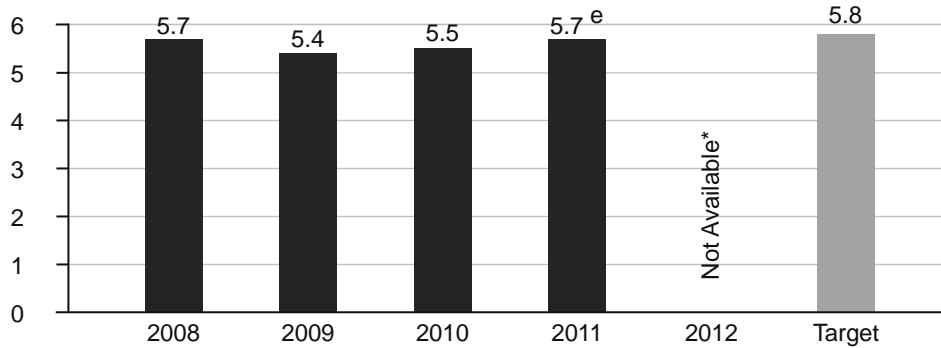
In 2012-13, 82.8 per cent of tourism industry clients were satisfied with the services of the Tourism Division, 3.8 per cent higher than the target and 6.1 per cent higher than the 2011-12 result.

Analysis

Client satisfaction is influenced by several factors such as the frequency of clients' contact and their varying needs, preferences and expectations. Clients often seek funding or investor/developer interest in their projects, which the ministry cannot guarantee. These exceptions may result in different experiences and varying levels of satisfaction.

In 2012-13, 92.9 per cent of clients responded they were satisfied with the information and advice they had been given, and 88.5 per cent thought the tourism development services were important in helping industry operators pursue tourism development opportunities.

1.b Total tourism expenditures in Alberta (\$billion)



Source: Statistics Canada: Travel Survey of Residents of Canada and International Travel Survey, and Tourism, Parks and Recreation

e – The 2011 result is an estimate using the previous methodology and will not be updated.

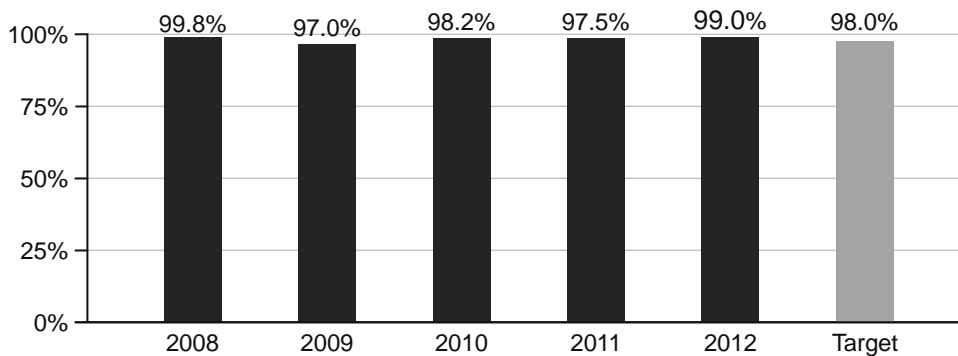
Description

This measure indicates the annual value of all tourism-related expenditures in Alberta. This includes expenditures made in Alberta by visitors from overseas, the United States, other Canadian provinces and Albertans.

Results

The 2012 estimate is not provided due to a significant change in methodology by Statistics Canada. The 2011 result is an estimate based on the previous methodology. Figures using the new methodology are presented alongside new targets in the *2013-16 Tourism, Parks and Recreation Business Plan*.

1.c Percentage of clients satisfied with their overall experience at provincial visitor information centres



Source: Visitor Information Centre Satisfaction Survey

Description

This measure indicates the satisfaction of clients with their overall experience at provincial visitor information centres.

Results

In 2012, the result of 99.0 per cent is 1.5 per cent higher than the 2011-12 result and 1.0 per cent higher than the target.

Analysis

Factors influencing results could include the age and condition of facilities, a client's prior experiences at other sites/venues and the level of staff training and knowledge of Alberta. Visitors were most satisfied with provincial visitor information centre staff in the following areas: being knowledgeable (98.3 per cent), doing everything to meet service needs (98.7 per cent), providing appropriate information/recommendations (98.5 per cent), being courteous (99.2 per cent), and going the extra mile to help (97.8 per cent). Some 85.7 per cent of clients indicated that they would make or consider making another trip to or within Alberta because of information gained at the visitor information centre.

Consistent, high-quality staff training, as well as good working conditions and effective teamwork, contribute to achieving and maintaining a high level of visitor satisfaction.

The Alberta parks system provides opportunities for outdoor recreation and tourism, and conserves Alberta’s natural heritage

Overview

The ministry manages more than 27,600 square kilometres of land as a legacy for future generations while providing opportunities for outdoor recreation and nature-based tourism. Interpretation and environmental education help to foster an understanding of Alberta’s natural heritage and promote experiential, lifelong learning.

Results

DID YOU KNOW?

Some campgrounds stay open year-round and offer winter camping. Sites are available at McLean Creek Provincial Recreation Area, Chain Lakes Provincial Park; Cypress Hills Interprovincial Park (Elkwater, Lakeview and Spruce Coulee); Dinosaur; Kinbrook Island; and Writing-on-Stone provincial parks; and Mount Kidd recreation vehicle park (in the Evan-Thomas Provincial Recreation Area) on a first-come, first-served basis.

The ministry continues to implement the *Plan for Parks* in association with the *Land-use Framework*. The Lower Athabasca Regional Plan under the *Land-use Framework* was approved by Cabinet in August 2012 and provides for the creation of 14 new and expanded wildland provincial parks and recreation areas, an increase of 11,600 square kilometres (or 42 per cent) to the Alberta parks system. Work is underway to develop the ministry implementation framework. Consultations for the South Saskatchewan Regional Plan also occurred.

Thirteen research projects were funded that facilitated evidence-based decision-making as outlined in the *Plan for Parks*. These included projects from natural and social sciences such as health benefits of parks to park visitors, research leading to best practices in management of public areas, and challenges facing recreation and nature-based tourism. In order to contribute to the healthy ecosystems outcome in the *Plan for Parks*, workshops with industry and non-government organizations were conducted to identify collaborations for regional and provincial scale planning. The Environmentally Significant Areas report was initiated. This report reviews and synchronizes aquatic areas allowing for the production of an updated geographic information system data map incorporating both terrestrial and aquatic areas. A project to identify special landforms and mapping of natural landscape themes was also initiated with the Alberta Geological Survey.

DID YOU KNOW?

July 2012 featured Tuesday Tours at Calgary and area provincial parks. With a different topic each week, visitors learned about environmental wonders, park predators, monitoring and the park ecosystems.

The ministry further implemented its Science Strategy facilitating natural and social science research

by academics, staff, volunteers and others to inform the management of parks. A priority item outlined in the strategy is to define and communicate research priorities to the research community. In November 2012, the ministry held workshops identifying research priorities for the province and for the East Central Region. These workshops facilitated discussions by identifying management issues and information gaps.

The ministry continues to work on increasing access to provincial parks for visitors by completing new permit terms for commercial trail riding operations including a five-year term in addition to the current single year permit. The new system will ensure a consistent approach to the management of commercial trail riding operations within the parks system and will align with the Ministry of Environment and Sustainable Resource Development's approach for management of commercial trail riding permits on public lands.

Work continues with its federal, provincial and territorial parks partners through the Canadian Parks Council. Alberta is co-leading a major initiative on increasing the relevance of parks in Canadian society by connecting Canadians to nature. This initiative explores the many benefits provided by nature and will identify a number of strategies to get Canadians more involved in accessing and valuing their connections to nature.

The involvement of the private sector in providing services in provincial parks has a long and valued history with the ministry. Private sector contractors, local community groups and municipalities operate about 55 per cent of provincial campgrounds and include contractors operating provincial park facilities such as managing campgrounds, providing maintenance services, operating food and boat rental concessions, golf courses, ski hills, wilderness lodges, resorts and related service and support facilities. There are also additional forms of development in some provincial parks to enhance visitor accommodation or service needs such as hotels, convenience stores, restaurants and gas stations. The ministry encourages private sector involvement that will enhance visitor opportunities and, in 2012, pilot projects were set up in various provincial parks to research public demand for new services including comfort camping facilities at Cypress Hills Interprovincial Park, Dinosaur, Miquelon Lake and Writing-on-Stone provincial parks and seasonal camping opportunities at Two Lakes Provincial Recreation Area.

The ministry manages a diverse range of facilities, including campgrounds, trails and visitor centres and also water treatment plants and emergency centres. In 2012-13, a pilot asset management strategy and inventory was finalized for provincial parks in the David Thompson Corridor, and this information will be used to complete an asset management strategy for park facilities throughout the rest of the province. In addition to its planning initiatives, the ministry has been upgrading and restoring park facilities throughout the province. In 2012-13, approximately \$12.7 million was allocated for capital maintenance and refurbishment. Highlights include: the ongoing expansion at Pigeon Lake

DID YOU KNOW?

Free fishing weekends are offered twice a year in Alberta: Family Day long weekend and National Fishing Week in the summer. On these weekends, Albertans and visitors can fish without a licence in any public water body that has an open fishing session, not including national parks.

DID YOU KNOW?

More than 1,300 new Canadians participated in park programs introducing classic Canadian outdoor experiences such as camping, canoeing, fishing and winter activities.

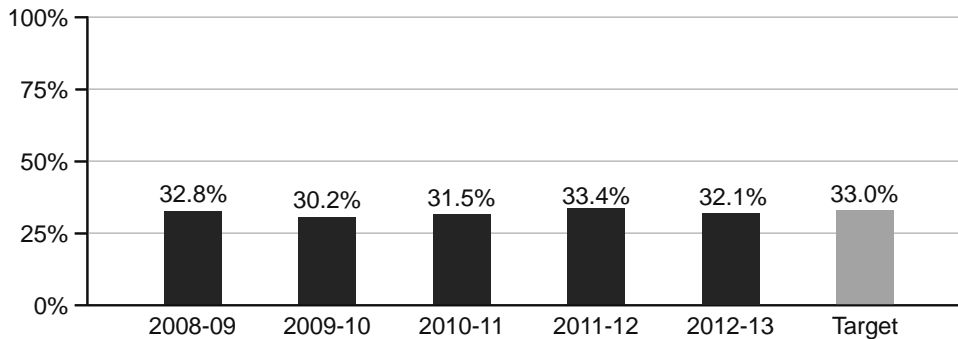
DID YOU KNOW?

Albertans and visitors can reserve a campsite online at 63 provincial campgrounds and 147 group camping areas. The Alberta Parks reservation service allows campers to book individual sites up to 90 days in advance. This service has been expanded for the 2013 camping season to include four more campgrounds at provincial parks: Wyndham-Carseland, Whitney Lakes, Calling Lake and Hilliard's Bay. Group camping at many of our parks can also be reserved online at www.Reserve.AlbertaParks.ca or by calling 1-877-537-2757.

Provincial Park; electrification of campgrounds at Hilliard's Bay, Gregoire Lake, Pierre Grey's and Pembina River provincial parks; upgrades to water and sewer lines in Peter Lougheed, Beauvais Lake, Lesser Slave Lake, Little Bow and Bow Valley provincial parks; the modernization and expansion of the Elbow Valley Information Centre Recreational Vehicle dump station; the upgrading of campgrounds at Cypress Hills Interprovincial Park and additional comfort camping opportunities at Miquelon, Dinosaur and Writing-On-Stone provincial parks.

Performance Measures

2.a Percentage of adult Albertans who visited a provincial park in the last 12 months



Source: Tourism, Parks and Recreation Survey of Albertans

Description

This measure indicates the percentage of adult Albertans who visited a provincial park in the past 12 months, not including any visits to neighbourhood, city, regional or national parks.

Results

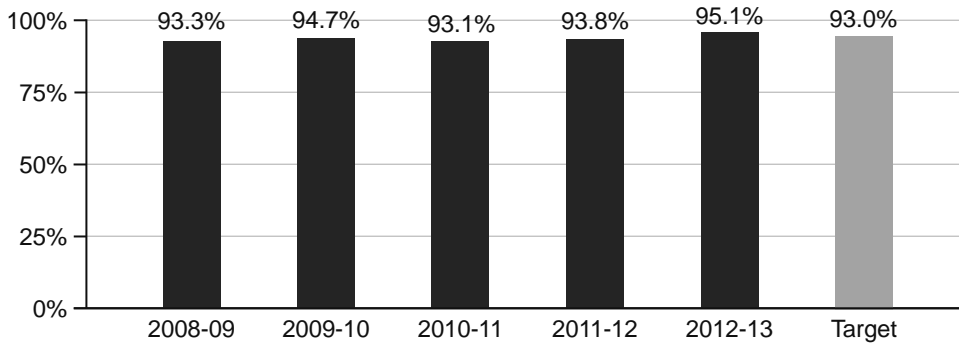
The 2012-13 result was 32.1 per cent, just below the target and 1.3 per cent lower than the 2011-12 result.

Analysis

Results indicate that approximately one-third of adult Albertans visit a provincial park annually. While the proportion of Albertans visiting provincial parks has remained broadly stable over the last five years, the overall number of visits has increased as the province's population continues to grow. For example, from 2006-07 to 2012-13 the population of Alberta increased by approximately 450,000 people. With one third of these people visiting parks at least once, the actual number of visitors would have increased by approximately 150,000 during this period.

Results are influenced by changing population characteristics, economic conditions, weather and public awareness of facilities and services. These results exclude visits made to national, municipal or privately owned parks in Alberta, so results will be impacted by the promotion and use of these other parks. Events that contributed to visitation in 2012-13 include: Parks Day, World Snow Day, Family Day and Get Outdoors weekend.

2.b Percentage of visitors satisfied with the quality of services and facilities at provincial parks



Source: How are we doing? Provincial Parks and Recreation Areas Camper Satisfaction Survey

Description

This measure indicates visitors' overall satisfaction with the services and facilities at Alberta's provincial parks and recreation areas.

Results

In 2012, 95.1 per cent of visitors were satisfied with their park experiences, 2.1 per cent higher than the target and 1.3 per cent higher than the 2011-12 result.

Analysis

Visitor satisfaction is influenced by several factors, including programs offered during the visit, public awareness of facilities and services, infrastructure renewal programs, services provided by contractors and park staff, interactions with other visitors, and the age, condition and cleanliness of facilities.

When rating the staff of provincial parks and recreation areas, 93.8 per cent of the respondents felt that the staff was friendly and courteous and 92.9 per cent were satisfied with the cleanliness of the grounds. Additionally, 91.4 per cent of the respondents indicated they would return to the same campground in the future. The ministry made significant infrastructure improvements with 51 major capital projects undertaken in parks. Projects included water systems and sewer lines, new washroom and shower facilities, improved campsites, and road and trail paving.

This measure was removed from the ministry 2013-16 business plan in order to explore better options for collecting information related to park users.

Goal Three

Linked to Core Business – Recreation, active living and sport

Albertans enjoy a high quality of life, improved health and wellness, strong communities, economic benefits and personal excellence and fulfillment through recreation, active living and sport

Overview

The ministry provides leadership through strategic policy development, planning and research coordination; and, through the Alberta Sport, Recreation, Parks and Wildlife Foundation, provides consultative services and financial assistance to encourage active lifestyles, facilitate participation in recreation activity and to support Albertans of all ages to participate in sports and pursue the achievement of athletic excellence.

Results

The ministry continued to work on the implementation plan for the six outcome areas in the *Active Alberta* policy designed to improve the lives of Albertans through recreation, active living and sport. It will guide the ministry as it designs programs, delivers services and provides financial support. Since the launch of the policy in 2011, the ministry continues to work with its partners to draft an Active Alberta Action Plan. Effective implementation of the policy requires coordination and collaboration across government as well as among and between many other stakeholders including Alberta's municipalities, Aboriginal communities, educational institutions, non-profit agencies and the private sector.

The ministry participated in the Federal, Provincial and Territorial Ministers of Sport, Physical Activity and Recreation meeting where the Multi-Sectoral Framework for Action on the After School Time Period was endorsed. This national framework directs involved ministries to identify collaborative actions for the after-school time period aimed at increasing physical activity, promoting healthy weights, and addressing other social issues with an aim to improve health, well-being and academic learning in the context of healthy communities.

In December 2012, as part of its contribution to the International Ski Federation World Cup, the ministry leveraged the event to further develop amateur athletes by providing support to Cross Country Alberta to allow provincial athletes (under the age of 18), coaches and event organizers to attend the event. By actively taking part in all of the activities, participants learned what is involved in hosting major events and ways to grow their local competitions. Alberta athletes attending also benefited from various sport

DID YOU KNOW?

The *Active Alberta* outcomes are:

- Active Albertans: More Albertans more active more often.
- Active Communities: Alberta communities are more active, creative, safe and inclusive.
- Active Outdoors: Albertans are connected to nature and able to explore the outdoors.
- Active Engagement: Albertans are engaged in activity and in their communities.
- Active Coordinated System: All partners are working together in a coordinated system.
- Active Pursuit of Excellence: Albertans have opportunities to achieve athletic excellence.

DID YOU KNOW?

The third annual Alberta 55 Plus Winter Games were held February 2013 in Calgary. More than 1,100 participants in age from 55 to 95 years old participated in 13 different activities. The opening ceremonies on February 13 at Canada Olympic Park commemorated the 25th anniversary of the 1988 Olympics.

video series capturing the action, interviews and strategies of the National Ski Team at the event.

DID YOU KNOW?

Every year the ministry recognizes Alberta's athletes of the year from a variety of sports in six categories, including female athlete of the year, male athlete of the year, team of the year, junior female athlete of the year, junior male athlete of the year and junior team of the year. The Alberta Athletes of the Year announced in May 2012 spanned a variety of sports from cross country skiing and aerial freestyle skiing to swimming, skating and kayaking.

The proposed plan will reflect the changes in the Alberta population, activity preferences and to improve the alignment with the *Active Alberta* policy. Additionally, planning will include consideration for hosting a Sport Forum in the fall of 2013 to obtain further information that will help guide the ministry in the area of sport development and performance sport for the next 10 years.

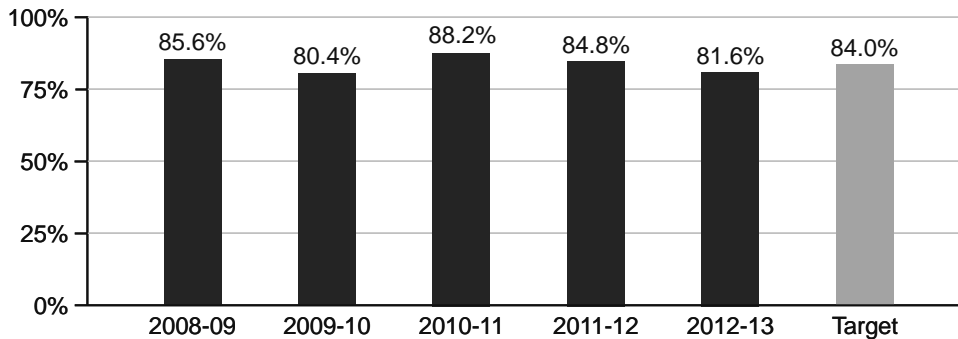
development camps, and it is hoped that by seeing some of the world's best skiers in action, the young athletes will be inspired to set their sights on international competition. The event created community festival elements that received high praise from international visitors and officials. Additional support was granted to the Alberta World Cup Society, who in partnership with both national and provincial sport organizations, produced the Inside Edge

The renewed Canadian Sport Policy was endorsed by the Federal, Provincial and Territorial ministers responsible for Sport, Physical Activity and Recreation in June 2012. Ministry staff contributed to the renewed policy which will inform work to update the Alberta Sport Plan that guides amateur sport policy.

The outcome of the Alberta Sport Plan will focus on the effectiveness and relevance of provincial sport and sport development programs and how sport, active living and recreation could work together to provide more benefits to Albertans.

Performance Measures

3.a Percentage of adult Albertans who participated in recreational activities and sport



Source: Tourism, Parks and Recreation Survey of Albertans

Description

This measure indicates adult Albertans' participation in recreational activities and sport in the past year. Albertans were asked if they had participated in activities such as walking, bicycling, skiing, golfing, skating, swimming and amateur sports.

Results

In 2012-13, 81.6 per cent of adult Albertans participated in recreational activities, lower than the target by 2.4 per cent and 3.2 per cent lower than the 2011-12 result.

Analysis

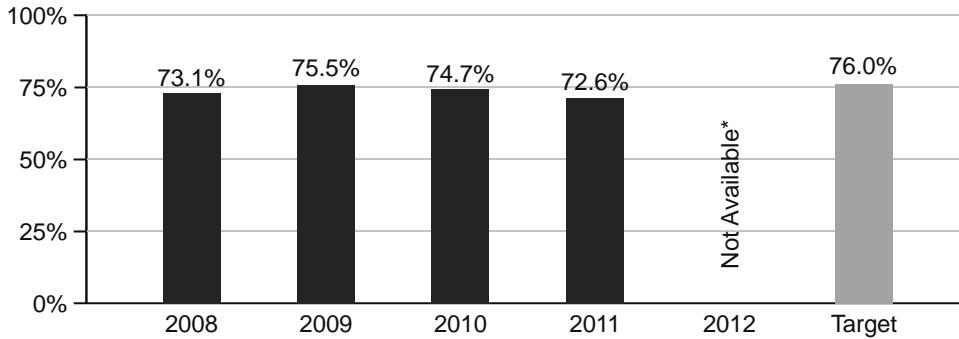
Personal lifestyles choices will impact these results positively or negatively (e.g., participating in recreational running or team sports versus time spent on the Internet or watching television), available leisure time, socio-economic status (e.g., the disposable income allocated for recreation and sport activities), media reporting on the importance of living active, healthy lifestyles and the promotion of recreational or sporting events and activities.

In 2012-13, when asked about increasing their levels of physical activity, 54.1 per cent of respondents indicated that they would like to increase their level of physical activity over the next 12 months. The main motivators reported to increase physical activity were more free time or less work (27.5 per cent) and increased motivation or enthusiasm (19.6 per cent).

Approximately eight out of every ten Albertans participated in recreational activities in 2012-13. Of those, 81.1 per cent undertook physical activity two or more times a week with 75.9 per cent indicating that the duration of physical activity was over 30 minutes or more each time. Half an hour or more of moderate physical activity four or more times a week continues to be the most common pattern of physical activity.

The ministry is continuing to partner with provincial recreation, active living and sport organizations who provide significant opportunities for Albertans in communities to enjoy active, healthy lifestyles. The ministry supports programs that promote active, healthy living in communities and encourages lifelong participation in recreation, active living and sport. Events that contributed to participation in 2012-13 include: Alberta 55 Plus Winter Games, Winter Walk Day and Get Outdoors weekend.

3.b Percentage of Albertans age 12-19 who are active or moderately active in their leisure time



Source: Statistics Canada: Canadian Community Health Survey

* The Canadian Community Health Survey used for monitoring the physical activity levels of youth is released by Statistics Canada in June. An online update of this measure will be posted when the information is available.

Description

This measure indicates the percentage of Albertans age 12 to 19 years that are active or moderately active in their leisure time. Albertans were asked if they had participated in a recreational activity such as walking or riding a bike. The result is based on a combination of questions related to the type, frequency and duration of each of the identified activities.

Results

An online update of this measure will be posted when the information is available.

Financial Summary

Financial Analysis (millions of dollars)

RESULTS OF OPERATIONS

For the Year Ending March 31, 2013

2012-13 Financial Analysis

	Budget	Actual	Difference	Explanation
Total Revenue	\$17.8	\$20.2	(\$2.4)	Increase in revenues for Travel Alberta (\$1.7 million) due to collection of additional funds from industry partnerships and conferences. Increase in collection of fees and premiums in parks (\$1.0 million) partially offset by decrease in miscellaneous revenues in the Alberta Sport, Recreation, Parks and Wildlife Foundation (\$0.5 million). Change in accounting policy recognizing the current portion of the deferred contributions from the Federal Government (\$0.2 million).
Expenses Operating	\$182.0	\$182.3	(\$0.3)	Increase in spending due to the resumption of operations in Pigeon Lake Provincial Park (\$0.3 million).
Statutory	\$0.1	\$0.2	(\$0.1)	Higher than budgeted change to vacation and banked overtime liability.
Capital Investment	\$13.6	\$14.3	(\$0.7)	Increase due to the donation of land (\$0.1 million) and purchase of land in Peaceful Valley (\$0.3 million) in the Alberta Sport, Recreation, Parks and Wildlife Foundation. An additional increase in capital due to the carry forward of parks projects delayed from the previous fiscal year (\$0.3 million).
Total Expenses	\$195.7	\$196.8	(\$1.1)	

Revenue Highlights (millions of dollars)

	2012-13 Budget	2012-13 Actual	2011-12 Actual
Transfers from the Government of Canada	\$0.4	\$0.6	\$0.5
Investment Income	\$0.6	\$1.0	\$0.6
Premiums, Fees and Licences	\$12.0	\$12.4	\$10.5
Other Revenue	\$4.8	\$6.2	\$5.9
Total Revenue	\$17.8	\$20.2	\$17.5

Total Revenue for the ministry in 2012-13 was \$20.2 million which is an increase of \$2.7 million from the previous year.

A change in the accounting policy in relation to government transfers became effective during the year, increasing the Transfers from the Government of Canada by \$0.1 million from the prior year.

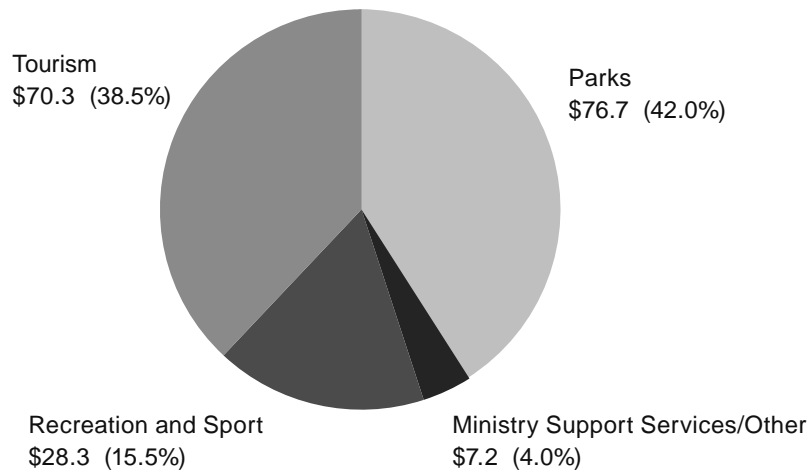
Premiums, Fees and Licences increased \$1.9 million from the prior year due mainly to increased revenue from collection of camping fees at provincial parks as well as additional revenue.

Other Revenue increased \$0.3 million from budget due mainly to additional revenue collected by Travel Alberta Corporation.

The ministry's major source of revenue is generated from park operations through Premiums, Fees and Licences.

Ministry Expense by Program (millions of dollars)

OPERATING EXPENSE BY PROGRAM – \$182.5



The ministry spent \$76.7 million (42.0 per cent of funding) on operations and management of the Alberta provincial parks system. Expenses to develop Alberta as a tourist destination, developing tourism products and marketing the province through Travel Alberta were \$70.3 million (38.5 per cent of funding). The Recreation and Sport Development Division spent \$28.3 million (15.5 per cent of funding) to promote healthy and active lifestyles. The remainder of the ministry's expenses went to support services and other expenses of \$7.2 million (4.0 per cent) to manage the overall ministry.

Capital Investment

The ministry also spent \$14.3 million for continued capital maintenance, renewal of parks infrastructure as well as various capital expenditures.

Ministry Expense by Function (millions of dollars)

Expense by function identifies the principal purpose for which an operating expense is incurred rather than the activity involved. The basis of reporting is used for inter-provincial comparisons and for determining federal funding eligibility.

The function Agriculture, Resource Management and Economic Development includes expenses related to the development and promotion of agriculture and other sectors of the economy such as tourism promotion. The function Recreation and Culture includes expenses incurred in the delivery of programs and services to promote leisure activities.

	2012-13 Budget	2012-13 Actual	2011-12 Actual
Agriculture, Resource Management and Economic Development	\$69.1	\$72.3	\$73.7
Recreation and Culture	\$113.0	\$110.2	\$102.9
Total Expense by Function	\$182.1	\$182.5	\$176.6

Financial Information

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Ministry of Tourism, Parks and Recreation

Consolidated Financial Statements
March 31, 2013

**Ministry of Tourism, Parks and Recreation
Consolidated Financial Statements
March 31, 2013**

Independent Auditor's Report

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Consolidated Statement of Cash Flows

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Schedule 2 – Credit or Recovery

Schedule 3 – Expenses – Directly Incurred Detailed by Object

Schedule 4 – Budget

Schedule 5 – Related Party Transactions

Schedule 6 – Allocated Costs

Schedule 7 – Tangible Capital Assets



Independent Auditor's Report

To the Members of the Legislative Assembly

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of the Ministry of Tourism, Parks and Recreation, which comprise the consolidated statement of financial position as at March 31, 2013, and the consolidated statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Ministry of Tourism, Parks and Recreation as at March 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

June 3, 2013

Edmonton, Alberta

Ministry of Tourism, Parks and Recreation
Consolidated Statement of Operations
Year ended March 31
(in thousands)

	2013		2012
	Revised Budget (Schedule 4)	Actual	Actual Restated (Note 3)
Revenues (Schedules 1 and 2)			
Federal Government Grants	\$ 626	\$ 673	\$ 493
Investment Income	571	954	629
Premiums, Fees and Licences	12,016	12,449	10,490
Other Revenue	4,769	6,168	5,871
	17,982	20,244	17,483
Expenses – Directly Incurred (Note 2(c) and Schedule 6) Program (Schedule 3)			
Ministry Support Services	7,616	7,225	6,681
Tourism	67,560	70,276	72,407
Parks	77,665	76,726	69,755
Recreation and Sport	29,279	28,333	27,616
	182,120	182,560	176,459
Net Operating Results	\$ (164,138)	\$ (162,316)	\$ (158,976)

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Tourism, Parks and Recreation
Consolidated Statement of Financial Position
As at March 31
(in thousands)

	2013	2012
		Restated (Note 3)
Assets		
Cash and Cash Equivalents (Note 4)	\$ 17,205	\$ 19,849
Accounts Receivable, Prepaid Expenses and Inventory (Notes 5 and 6)	1,258	900
	18,463	20,749
Endowment Restricted Cash (Note 9)	426	426
Tangible Capital Assets (Schedule 7)	387,750	388,677
	\$ 406,639	\$ 409,852
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 21,612	\$ 15,814
Deferred Revenue (Note 7)	7,226	1,712
	28,838	17,526
Net Assets		
Net Assets at Beginning of Year	392,326	400,084
Less: Adjustment to Opening Net Assets (Note 2(c))	(5,405)	-
Net Operating Results	(162,316)	(158,976)
Net Financing Provided from General Revenues	153,196	151,218
Net Assets at End of Year (Note 9)	377,801	392,326
	\$ 406,639	\$ 409,852

Contractual obligations and contingent liabilities (Notes 10 and 11).

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Tourism, Parks and Recreation
Consolidated Statement of Cash Flows
Year ended March 31
(in thousands)

	2013	2012
		Restated (Note 3)
Operating Transactions		
Net Operating Results	\$ (162,316)	\$ (158,976)
Non-cash Items Included in Net Operating Results		
Amortization	17,444	16,719
Loss on Disposal of Tangible Capital Assets	437	748
Valuation Adjustments	191	99
	(144,244)	(141,410)
(Increase)Decrease in Accounts Receivable, Prepaid Expenses and Inventories	(374)	1,783
Increase (Decrease) in Accounts Payable and Accrued Liabilities	5,623	(2,368)
Increase in Deferred Revenue	109	614
	(138,886)	(141,381)
Capital Transactions		
Acquisition of Tangible Capital Assets	(14,290)	(14,906)
Proceeds (Loss) on Disposal/Sale of Tangible Capital Assets	51	(2)
Transfers of Tangible Capital Assets	(2,715)	826
	(16,954)	(14,082)
Financing Transactions		
Net Financing Provided from General Revenues	153,196	151,218
Decrease in Cash and Cash Equivalents	(2,644)	(4,245)
Cash and Cash Equivalents at Beginning of Year	20,275	24,520
Cash and Cash Equivalents at End of Year	\$ 17,631	\$ 20,275

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2013

Note 1 Authority and Purpose

The Minister of Tourism, Parks and Recreation has, by the *Government Organization Act* and its regulations, been designated responsible for various Acts. To fulfill these responsibilities, the Minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also listed in Note 2(a). Together these organizations form the Ministry of Tourism, Parks and Recreation (Ministry).

The purpose of the Ministry is to enhance and preserve the quality of life for Albertans. This is done by:

- managing Alberta's provincial parks and protected areas,
- promoting recreational and sport opportunities, and
- facilitating tourism marketing and development.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These consolidated financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Ministry of Tourism, Parks and Recreation. The *Government Accountability Act* defines a Ministry as including the department and any provincial agency and crown-controlled organization for which the Minister is responsible.

These consolidated financial statements include the accounts of the following organizations:

<u>Organization</u>	<u>Authority</u>
Department of Tourism, Parks and Recreation	<i>Government Organization Act</i>
Alberta Sport, Recreation, Parks and Wildlife Foundation (Foundation)	<i>Alberta Sport, Recreation, Parks and Wildlife Foundation Act</i>
Travel Alberta	<i>Travel Alberta Act</i>

All ministries of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the President of Treasury Board and Minister of Finance. All cash receipts of ministries are deposited into the Fund and all cash disbursements made by the ministries are paid from the Fund. Net Financing Provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2013

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Consolidation

The accounts of the organizations listed in Note 2(a) above have been consolidated. Revenue and expense transactions, investing and financing transactions, and related asset and liability accounts between the consolidated organizations were eliminated upon consolidation.

(c) Basis of Financial Reporting

Revenue Accounting Policy

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Accounting Policy Change

Effective April 1, 2012, the department changed its policy for recording capital transfers and restricted capital contributions. Previously, capital transfers and restricted capital contributions were recorded as revenue when the tangible capital assets were acquired or constructed. As a result of this policy change, capital transfers and restricted capital contributions are recognized as deferred revenue upon receipt and transferred to revenue over the useful life of capital assets based on relevant stipulations by transferring government and restrictions by donors. This policy has been adopted retroactively without restatement of comparatives. As a result, the opening net assets have decreased by \$5,405.

Government Transfers

Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the terms of the transfer, or the stipulations together with the Ministry's actions and communications as to the use of transfers create a liability.

Capital Contributions

Restricted capital contributions are recognized as deferred revenue when received and recognized as revenue over the useful life of the acquired or constructed tangible capital assets

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2013

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Credit or Recovery

Credit or Recovery initiatives provide a basis for authorizing spending. Credits or Recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual Credit or Recovery amounts exceed budget, the Ministry may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses on the program. Schedule 2 discloses information on the Ministry's Credit or Recovery initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for the current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and environmental obligations.

Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Ministry operations are not recognized and are disclosed in Schedule 5 and allocated to programs in Schedule 6.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2013

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventories held for resale.

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the first in, first out basis.

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major system enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000. All land is capitalized.

Contributed tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the tangible capital asset is in use.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum, the net book value of these physical assets less any nominal proceeds are recorded as grants in kind.

Artworks are not recorded as assets. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks are reported as revenue and expenses at their fair value when fair value can be reasonably determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Environmental obligations are recorded as liabilities when there is little or no discretion to avoid settlement of the obligation and a reasonable estimate of the amount can be made.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2013

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Net Assets/Net Liabilities

Net Assets/Net Liabilities represent the difference between the carrying value of assets held by the Ministry and its liabilities.

Canadian Public Sector Accounting Standards require a “net debt” presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as “net debt” or “net financial assets” as an indicator of the future revenues required to pay for past transactions and events. The Ministry operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these consolidated financial statements do not report a net debt indicator.

Endowment funds (Note 9) are considered appropriations from net assets and are reported as net assets. These assets include land and cash which must remain in perpetuity.

Internally restricted fund accounts are for funds restricted by the Foundation for either matching non-government contributions, which can only be used for an identified purpose, or for retaining an ongoing funding capability.

Endowment fund accounts are for contributions received under various agreements with sponsors and matching funds provided by the Foundation.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm’s length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash and Cash Equivalents, Accounts Receivable, and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2013

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The provision for doubtful accounts is based on an assessment of the collectability of accounts receivable. Environmental obligations are included in Accounts Payable and Accrued Liabilities in the amount of \$37 (2012 – \$401) based on management's best estimates that reflect the most probable course of action. Further environmental assessments, changes in environmental legislation or other unanticipated changes may affect these estimates.

Note 3 Government Reorganization/Program Transfer (in thousands)

As a result of restructuring of government ministries announced on May 8, 2012 and other transfers of responsibilities to and from other ministries, the responsibility for administration of services associated with the Cabinet Policy Committees was discontinued and responsibilities transferred to the Operations Policy Committee, under the Ministry of Executive Council. Comparatives for 2012 have been restated as if this responsibility had always been assigned to Executive Council. Net assets on March 31, 2012 are made up as follows:

Net assets as previously reported	\$ 392,326
Change in Net Financing Provided to General Revenues	(189)
Transfer to the Ministry of Executive Council	<u>189</u>
Net assets at March 31, 2012	<u>\$ 392,326</u>

Note 4 Cash and Cash Equivalents (in thousands)

	<u>2013</u>	<u>2012</u>
Consolidated Cash Investment Trust Fund	\$ 9,508	\$ 13,615
Cash in Other Bank Accounts	<u>8,123</u>	<u>6,660</u>
	<u>\$ 17,631</u>	<u>\$ 20,275</u>

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to maturity of three years. As at March 31, 2013, securities held by the CCITF have a time-weighted return of 1.3% per annum (2012 – 1.3% per annum).

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2013

Note 4 Cash and Cash Equivalents (in thousands) (continued)

Cash in the amount of \$1,578 (2012 - \$1,592) has been externally restricted and \$140 (2012 - \$138) has been internally restricted and is therefore not available to pay for operating expenses.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 5 Accounts Receivable (in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2013		2012	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 1,085	\$ 15	\$ 1,070	\$ 830

Note 6 Prepaid Expenses and Inventory (in thousands)

	2013	2012
Inventory	\$ 22	\$ 18
Prepaid Expenses	166	52
	\$ 188	\$ 70

Note 7 Deferred Revenue (in thousands)

Opening Deferred Revenue	\$ 1,712
Add: Deferred Revenue received and not utilized in the current year	5,747
Less: Deferred Revenue recognized as revenue in the current year	(233)
Closing Deferred Revenue	\$ 7,226

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2013

Note 8 Artworks (in thousands)

The Ministry has a collection of artworks consisting of 19 (2012 - 19) prints of the Waterfowl of North+ America Collection #1250 with an approximate value of \$5 (2012 - \$5). There were no artwork dispositions (2012 – Nil) or acquisitions (2012– Nil) during the year.

Note 9 Net Assets (in thousands)

	2013	2012
Unrestricted Funds	\$ 373,038	\$ 387,911
Endowment Funds ^(a)	2,819	2,476
Internally Restricted Funds ^(b)	1,944	1,939
	\$ 377,801	\$ 392,326

(a) Endowment Funds includes land in the amount of \$2,393 (2012 - \$2,050) and cash in the amount of \$426 (2012 - \$426).

(b) Internally Restricted Funds including buildings in the amount of \$226 (2012 - \$209) and cash in the amount of \$1,718 (2012 - \$1,730).

Note 10 Contractual Obligations (in thousands)

Contractual obligations are obligations of the Ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2013	2012
Obligations Under Operating Leases, Contracts and Programs		
Capital Construction Contracts	\$ 1,912	\$ 3,444
Grant Agreements	3,683	3,110
Operating Leases	7,302	8,051
Service Contracts	28,412	40,406
	\$ 41,309	\$ 55,011

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2013

Note 10 Contractual Obligations (in thousands) (continued)

Estimated payment requirements for each of the next five years and thereafter are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Total
2013 - 2014	\$ 25,548
2014 - 2015	6,403
2015 - 2016	4,011
2016 - 2017	1,672
2017 - 2018	1,627
Thereafter	2,048
	\$ 41,309

Note 11 Contingent Liabilities (in thousands)

At March 31, 2013 the Ministry is a defendant in five legal claims (2012 - four legal claims). Three of these claims has a specified amount totalling \$768 and the remaining two have no specified amounts (2012 – one claim with a specified amount of \$100 and three with no specified amount). These claims are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Note 12 Trust Funds (in thousands)

Under Administration

The Ministry administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the province has no equity in the fund and administers it for the purposes of various trusts, it is not included in the Ministry's consolidated financial statements.

At March 31, 2013, trust funds under administration were as follows:

	2013	2012
Parks General Trust and Performance Deposits	\$ 863	\$ 941

In addition to the above trust funds under administration, the Ministry holds bank guarantees in the form of letters of credit in the amount of \$19,301 (2012 – \$22,770).

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2013

Note 12 Trust Funds (in thousands) (continued)

Other

The Foundation is the beneficiary of a trust fund that is administered by the Royal Trust Corporation of Canada over which the Foundation has no power of administration or appropriation. Because the province has no equity in the fund and is only the beneficiary of the income portion of the fund, it is not included in the Ministry's consolidated financial statements.

At March 31, 2013 the trust fund was as follows:

	2013	2012
Peaceful Valley Trust	\$ 1,851	\$ 2,076

The income generated from the trust fund is only recognized at the time of withdrawal. The funds are restricted and are to be used for the maintenance or expansion of Peaceful Valley.

Note 13 Benefit Plans (in thousands)

The Ministry participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of \$5,336 for the year ended March 31, 2013 (2012 - \$4,430). Ministries are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2012 the Management Employees Pension Plan reported a deficiency of \$303,423 (2011 – deficiency \$517,726), the Public Service Pension Plan reported a deficiency of \$1,645,141 (2011 – deficiency \$1,790,383) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of \$51,870 (2011 – deficiency \$53,489).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2013, the Bargaining Unit Plan reported an actuarial surplus of \$51,717 (2012 –surplus \$9,136) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$18,327 (2012 – surplus \$10,454). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 14 Comparative Figures

Certain 2012 figures have been reclassified to conform to the 2013 presentation.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2013

Note 15 Approval of Consolidated Financial Statements

The consolidated financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements – Schedule 1
Revenues
Year ended March 31
(in thousands)

	<u>2013</u>		<u>2012</u>
	Revised Budget	Actual	Actual
Government Transfers			
Federal Government Grants	\$ 626	\$ 673	\$ 493
Investment Income	571	954	629
Premiums, Fees and Licences			
Camping Fees	10,229	9,611	8,048
Lands and Grazing	1,597	1,635	1,320
Other	190	1,203	1,122
	<u>12,016</u>	<u>12,449</u>	<u>10,490</u>
Other Revenue			
Donations	1,686	1,126	1,028
Gain on Sale of Tangible Capital Assets	-	49	7
Miscellaneous	2,399	4,165	4,750
Refunds of Expenses	230	475	(192)
Sales	454	353	278
	<u>4,769</u>	<u>6,168</u>	<u>5,871</u>
Total Revenues	<u>\$ 17,982</u>	<u>\$ 20,244</u>	<u>\$ 17,483</u>

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements – Schedule 2
Credit or Recovery
Year ended March 31
(in thousands)

	2013				
	Authorized	Actual Revenue Recognized ^(a)	Deferred Revenue	Actual Cash/ Donations Received	Excess
Parks Operations ^(b)	\$ 12,488	\$ 12,971	\$ 5,172	\$ -	\$ 483
Park Infrastructure Management ^(c)	1,985	2,195	-	-	210
	\$ 14,473	\$ 15,166	\$ 5,172	\$ -	\$ 693

- ^(a) Revenues from credit or recovery initiatives are included in the Ministry's revenues in the Consolidated Statement of Operations and Schedule 1.
- ^(b) Parks collects various fees and other revenues through the *Parks Act* that are used to partially offset the cost of providing services. These include fees for the use of campgrounds, park facilities and lands, heritage appreciation services (e.g. interpretive bus tours), as well as contributions, sponsorships, donations, grants and payments by corporations, private sector operators, foundations, individuals and others.
- ^(c) Parks collects a levy for facility redevelopment within fees charged for use of campgrounds and park facilities through the *Parks Act*, as well as contributions, sponsorships, donations, grants and payments by corporations, private sector operators, foundations, individuals and others. This revenue is then used to manage infrastructure within provincial parks.

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements – Schedule 3
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(in thousands)

	2013		2012
	Budget	Actual	Actual Restated (Note 3)
Salaries, Wages and Employee Benefits	\$ 62,795	\$ 57,829	\$ 52,385
Supplies and Services ^(a)	76,810	78,514	68,672
Supplies and Services from Support Service Arrangements with Related Parties ^(b)	1,564	3,578	3,054
Grants	23,747	25,759	36,091
Financial Transactions and Other	210	758	884
Amortization of Tangible Capital Assets	18,292	17,444	16,719
	183,418	183,882	177,805
Total Expenses before Recoveries			
Less Recovery from Support Service Arrangements with Related Parties ^(c)	(1,298)	(1,322)	(1,346)
	\$ 182,120	\$ 182,560	\$ 176,459

^(a) Includes severance and termination payments in the amount of \$212.

^(b) The Ministry received Freedom of Information and Protection of Privacy services from the Ministry of Treasury Board and Finance; revenue services from the Ministry of Energy; and Human Resources, Policy, Planning and Legislative services from the Ministry of Culture.

^(c) The Ministry provided Information Management and Technology services to the Ministry of Culture. Costs incurred by the Ministry for these services were recovered from the Ministry of Culture.

**Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements – Schedule 4
Budget
Year ended March 31
(in thousands)**

	2012-13 Estimate	Adjustment to Conform to Accounting Policy	Revised Estimate	Adjustment	2012-13 Adjusted Budget	Supplementary Estimate	2012-13 Authorized Budget
Revenues							
Federal Government Grants	\$ 393	\$ 233 ^(m)	\$ 626	\$ -	\$ 626	\$ -	\$ 626
Investment Income	571	-	571	404 ^{(b)(c)}	975	-	975
Premiums, Fees and Licences	12,016	-	12,016	282 ^(d)	12,298	-	12,298
Other Revenue	4,769	-	4,769	1,227 ^{(e)(f)}	5,996	-	5,996
	<u>17,749</u>	<u>233</u>	<u>17,982</u>	<u>1,913</u>	<u>19,895</u>	<u>-</u>	<u>19,895</u>
Expenses – Directly Incurred							
Ministry Support Services	7,616	-	7,616	(135) ^(a)	7,481	-	7,481
Tourism	67,560	-	67,560	3,204 ^{(g)(k)}	70,764	-	70,764
Parks	77,665	-	77,665	282 ^(h)	77,947	-	77,947
Recreation and Sport	29,279	-	29,279	-	29,279	-	29,279
	<u>182,120</u>	<u>-</u>	<u>182,120</u>	<u>3,351</u>	<u>185,471</u>	<u>-</u>	<u>185,471</u>
Net Operating Results	<u>\$ (164,371)</u>	<u>\$ 233</u>	<u>\$ (164,138)</u>	<u>\$ (1,438)</u>	<u>\$ (165,576)</u>	<u>-</u>	<u>\$ (165,576)</u>
Capital Investment	<u>\$ 13,582</u>	<u>\$ -</u>	<u>\$ 13,582</u>	<u>\$ 2,362^{(i)(j)(l)}</u>	<u>\$ 15,944</u>	<u>-</u>	<u>\$ 15,944</u>
Non – Budgetary Disbursements	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 400</u>	<u>-</u>	<u>\$ 400</u>

(a) Due to restructuring of government ministries announced on May 8, 2012, \$135 for the Cabinet Policy Committee budget was transferred to Ministry of Executive Council.

(b) Increase in investment income of \$300 for the Alberta Sport, Recreation, Parks and Wildlife Foundation for the purchase of Peaceful Valley Land.

(c) Increase in investment income of \$104 for Travel Alberta Corporation.

(d) Increase in dedicated revenue due to additional camping fees generated owing to the Pigeon Lake redevelopment project being put on hold.

(e) Increase in other revenue for the Alberta Sport, Recreation, Parks and Wildlife Foundation of \$127 due to donation of wildlife habitat.

(f) Increase in other revenue for Travel Alberta Corporation of \$1,100 due to collection of additional funds from industry partnerships and conference fees.

(g) Treasury Board approved on July 19, 2012 a \$2,000 increase in operating expense for the Travel Alberta Corporation.

(h) Treasury Board approved on July 19, 2012 a \$282 increase in operating expense/credit or recovery for additional camping fees that will be generated by putting the Pigeon Lake redevelopment project on hold.

(i) Treasury Board approved on July 19, 2012 a \$400 increase in capital investment for the Alberta Sport, Recreation, Parks and Wildlife Foundation.

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements – Schedule 4 (continued)
Budget
Year ended March 31
(in thousands)

- (i) Treasury Board approved on July 19, 2012 a capital carry forward of \$272 in Parks Infrastructure Management for various provincial park maintenance and renewal projects and a capital carry forward of \$1,663 for the Canmore Visitor Information Centre.
- (k) Treasury Board approved on January 14, 2013 an increase in \$1,204 in operating expense for the Travel Alberta Corporation, to be fully offset by the collection of additional funds from industry partnerships and conferences and an increase in investment income.
- (l) Treasury Board approved on January 14, 2013 an additional net increase of \$27 in capital investment for the Alberta Sport, Recreation, Parks and Wildlife Foundation to accommodate a land donation
- (m) Adjustment in accordance with PS1201.133 to conform to fiscal plan numbers to the accounting policy change adopted for government transfers and capital contributions.

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements – Schedule 5
Related Party Transactions
Year ended March 31
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management personnel in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Ministry had the following transactions with related parties recorded on the Consolidated Statement of Operations and the Consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	<u>Other Entities</u>	
	<u>2013</u>	<u>2012</u>
Other Revenue	\$ 22	\$ 30
Expenses – Directly Incurred		
Grants	\$ 2,402	\$ 2,025
Other Services	2,862	2,921
	<u>\$ 5,264</u>	<u>\$ 4,946</u>
Accounts Receivable	<u>\$ 4</u>	<u>\$ 20</u>
Accounts Payable	<u>\$ -</u>	<u>\$ 12</u>
Tangible Capital Assets Transferred In (Out)	<u>\$ 2,715</u>	<u>\$ (871)</u>

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements – Schedule 5 (continued)
Related Party Transactions
Year ended March 31
(in thousands)

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the consolidated financial statements but are disclosed in Schedule 6.

	Other Entities	
	2013	2012
Expenses – Incurred by Others		
Accommodation Costs	\$ 7,169	\$ 6,688
Legal Services	267	728
Other Services	3,016	2,905
Parks Maintenance	962	1,085
	\$ 11,414	\$ 11,406

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements - Schedule 7
Tangible Capital Assets
Year ended March 31
(in thousands)

	2013										2012
	General Capital Assets					Infrastructure Assets					Total
	Land ^(a)	Buildings ^(b)	Computer Hardware and Software	Equipment ^(c)	Other and Leasehold Improvements	Bridges	Highways and Roads	Land Improvements	Total	Total	
Estimated Useful Life	Indefinite	10-50 years	5-8 years	3-25 years	10-20 years	60 years	50 years	40 years			
Historical Cost ^(d)	\$ 125,394	\$ 188,580	\$ 20,476	\$ 34,509	\$ 19,309	\$ 3,230	\$ 67,314	\$ 202,495	\$ 661,307	\$ 649,917	
Beginning of Year Additions	343	(1,139)	704	2,065	24	-	1,284	11,009	14,290	14,906	
Disposals, Including Write-Downs	-	(723)	-	(533)	-	(301)	(24)	123	(1,458)	(2,645)	
Transfers to (from) Ministry	2,626	-	89	-	-	-	-	-	2,715	(871)	
	<u>\$ 128,363</u>	<u>\$ 186,718</u>	<u>\$ 21,269</u>	<u>\$ 36,041</u>	<u>\$ 19,333</u>	<u>\$ 2,929</u>	<u>\$ 68,574</u>	<u>\$ 213,627</u>	<u>\$ 676,854</u>	<u>\$ 661,307</u>	
Accumulated Amortization	\$ -	\$ 86,376	\$ 5,569	\$ 18,338	\$ 16,492	\$ 1,102	\$ 42,128	\$ 102,625	\$ 272,630	\$ 257,756	
Beginning of Year	-	5,296	2,561	2,429	180	50	1,894	5,034	17,444	16,719	
Amortization Expense	-	(493)	-	(436)	-	(106)	-	65	(970)	(1,890)	
Effect of Disposals	-	-	-	-	-	-	-	-	-	45	
Effect of Transfer to Ministry	-	-	-	-	-	-	-	-	-	-	
	<u>\$ -</u>	<u>\$ 91,179</u>	<u>\$ 8,130</u>	<u>\$ 20,331</u>	<u>\$ 16,672</u>	<u>\$ 1,046</u>	<u>\$ 44,022</u>	<u>\$ 107,724</u>	<u>\$ 289,104</u>	<u>\$ 272,630</u>	
Net Book Value at March 31, 2013	<u>\$ 128,363</u>	<u>\$ 95,539</u>	<u>\$ 13,139</u>	<u>\$ 15,710</u>	<u>\$ 2,661</u>	<u>\$ 1,883</u>	<u>\$ 24,552</u>	<u>\$ 105,903</u>	<u>\$ 387,750</u>		
Net Book Value at March 31, 2012	<u>\$ 125,394</u>	<u>\$ 102,204</u>	<u>\$ 14,907</u>	<u>\$ 16,171</u>	<u>\$ 2,817</u>	<u>\$ 2,128</u>	<u>\$ 25,186</u>	<u>\$ 99,870</u>	<u>\$ 388,677</u>		

^(a) Land includes endowments \$2,393 (2012 - \$2,050).
^(b) Buildings include internally restricted buildings \$226 (2012 - \$209).
^(c) Equipment includes network switches and routers, vehicles, heavy equipment, fire protection equipment, office equipment and furniture, and other equipment.
^(d) Historical cost includes work-in-progress at March 31, 2013 totaling \$20,040 (2012 - \$25,774) comprised of: buildings \$3,834 (2012 - \$9,738); computer hardware and software \$912 (2012 - \$6,661); equipment \$1,219 (2012 - \$2,064); other \$29 (2012 - \$6); land improvements \$13,983 (2012 - \$12,262); highways \$63 (2012 - \$27) and bridges \$Nil (2012 - \$16).

Department of Tourism, Parks and Recreation

Financial Statements
March 31, 2013

**Department of Tourism, Parks and Recreation
Financial Statements
March 31, 2013**

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Revenues

Schedule 2 – Credit or Recovery

Schedule 3 – Expenses – Directly Incurred Detailed by Object

Schedule 4 – Budget

Schedule 5 – Lapse of Encumbrance

Schedule 6 – Comparison of Actual and Budget

Schedule 7 – Lottery Fund Estimates

Schedule 8 – Salary and Benefits Disclosure

Schedule 9 – Related Party Transactions

Schedule 10 – Allocated Costs

Schedule 11 – Tangible Capital Assets



Independent Auditor's Report

To the Minister of Tourism, Parks and Recreation

Report on the Financial Statements

I have audited the accompanying financial statements of the Department of Tourism, Parks and Recreation, which comprise the statement of financial position as at March 31, 2013, and the statements of operations 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 public sector accounting standards, 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Tourism, Parks and Recreation as at March 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

June 3, 2013

Edmonton, Alberta

Department of Tourism, Parks and Recreation
Statement of Operations
Year ended March 31
(in thousands)

	2013		2012
	Revised Budget (Schedule 4)	Actual	Actual Restated (Note 3)
Revenues (Schedules 1 and 2)			
Federal Government Grants	\$ 248	\$ 235	\$ 22
Investment Income	-	-	1
Premiums, Fees and Licences	11,826	12,032	10,055
Other Revenue	2,609	3,460	3,166
	14,683	15,727	13,244
Expenses – Directly Incurred (Note 2(b) and Schedule 10)			
Program (Schedules 3 and 6)			
Ministry Support Services	7,616	7,225	6,681
Tourism	64,824	64,508	63,996
Parks	77,665	76,726	69,755
Recreation and Sport	26,264	26,231	25,567
	176,369	174,690	165,999
Net Operating Results	\$ (161,686)	\$ (158,963)	\$ (152,755)

The accompanying notes and schedules are part of these financial statements.

Department of Tourism, Parks and Recreation
Statement of Financial Position
As at March 31
(in thousands)

	2013	2012
		Restated (Note 3)
Assets		
Cash	\$ 2,288	\$ 1,769
Accounts Receivable (Note 4)	444	985
Tangible Capital Assets (Schedule 11)	2,732	2,754
	384,654	385,802
	\$ 387,386	\$ 388,556
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 15,010	\$ 10,494
Deferred Revenue (Note 5)	7,198	1,712
	22,208	12,206
Net Assets		
Net Assets at Beginning of Year, as previously reported	376,350	377,887
Less: Adjustments to Opening Net Assets (Note 2(b))	(5,405)	-
Net Operating Results	(158,963)	(152,755)
Net Financing Provided from General Revenues	153,196	151,218
Net Assets at End of Year	365,178	376,350
	\$ 387,386	\$ 388,556

Contractual obligations and contingent liabilities (Notes 6 and 7).

The accompanying notes and schedules are part of these financial statements.

Department of Tourism, Parks and Recreation
Statement of Cash Flows
Year ended March 31
(in thousands)

	2013	2012
		Restated (Note 3)
Operating Transactions		
Net Operating Results	\$ (158,963)	\$ (152,755)
Non-cash Items Included in Net Operating Results		
Amortization	17,293	16,600
Loss on Disposal of Tangible Capital Assets	437	748
Valuation Adjustments	191	99
	(141,042)	(135,308)
Decrease in Accounts Receivable	531	1,535
Increase (Decrease) in Accounts Payable and Accrued Liabilities	4,335	(3,421)
Increase in Deferred Revenue	81	651
	(136,095)	(136,543)
Capital Transactions		
Acquisition of Tangible Capital Assets	(13,867)	(14,726)
Proceeds on Disposal/Sale of Tangible Capital Assets	-	(2)
Transfers of Tangible Capital Assets	(2,715)	826
	(16,582)	(13,902)
Financing Transactions		
Net Financing Provided from General Revenues	153,196	151,218
Increase in Cash	519	773
Cash at Beginning of Year	1,769	996
Cash at End of Year	\$ 2,288	\$ 1,769

The accompanying notes and schedules are part of these financial statements.

Department of Tourism, Parks and Recreation
Notes to the Financial Statements
Year ended March 31, 2013

Note 1 Authority and Purpose

The Department of Tourism, Parks and Recreation (Department) operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Department is to enhance and preserve the quality of life for Albertans. This is done by:

- managing Alberta's provincial parks and protected areas,
- promoting recreational and sport opportunities, and
- facilitating tourism marketing and development.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Department of Tourism, Parks and Recreation, which is part of the Ministry of Tourism, Parks and Recreation (Ministry) and for which the Minister of Tourism, Parks and Recreation is accountable. Other entities reporting to the Minister are the Alberta Sport, Recreation, Parks and Wildlife Foundation and Travel Alberta. The activities of these organizations are not included in these financial statements. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the President of Treasury Board and Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing Provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

Department of Tourism, Parks and Recreation
Notes to the Financial Statements
Year ended March 31, 2013

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting

Revenue Accounting Policy

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Accounting Policy Change

Effective April 1, 2012, the department changed its policy for recording capital transfers and restricted capital contributions. Previously, capital transfers and restricted capital contributions were recorded as revenue when the tangible capital assets were acquired or constructed. As a result of this policy change, capital transfers and restricted capital contributions are recognized as deferred revenue upon receipt and transferred to revenue over the useful life of capital assets based on relevant stipulations by transferring government and restrictions by donors. This policy has been adopted retroactively without restatement of comparatives. As a result, the opening net assets have decreased by \$5,405.

Government Transfers

Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the terms of the transfer, or the stipulations together with the department's actions and communications as to the use of transfers create a liability.

Capital Contributions

Restricted capital contributions are recognized as deferred revenue when received and recognized as revenue over the useful life of the acquired or constructed tangible capital assets.

Department of Tourism, Parks and Recreation
Notes to the Financial Statements
Year ended March 31, 2013

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting

Credit or Recovery

Credit or Recovery initiatives provide a basis for authorizing spending. Credits or Recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual Credit or Recovery amounts exceed budget, the Department may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the Department's Credit or Recovery Initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for the current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and environmental obligations.

Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Department operations are not recognized and are disclosed in Schedule 9 and allocated to programs in Schedule 10.

**Department of Tourism, Parks and Recreation
Notes to the Financial Statements
Year ended March 31, 2013**

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Tangible capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major system enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000. All land is capitalized.

Contributed tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the tangible capital asset is in use.

When tangible capital assets are gifted or sold for a nominal sum, the net book value of these physical assets less any nominal proceeds are recorded as grants in kind.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Environmental obligations are recorded as liabilities when there is little or no discretion to avoid settlement of the obligation and a reasonable estimate of the amount can be made.

Net Assets/Net Liabilities

Net Assets/Net Liabilities represent the difference between the carrying value of assets held by the Department and its liabilities.

Department of Tourism, Parks and Recreation
Notes to the Financial Statements
Year ended March 31, 2013

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Net Assets/Net Liabilities (continued)

Canadian Public Sector Accounting Standards require a “net debt” presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as “net debt” or “net financial assets” as an indicator of the future revenues required to pay for past transactions and events. The Department operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm’s length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash, Accounts Receivable, and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The provision for doubtful accounts is recorded based on an assessment of collectability of accounts receivable. Environmental obligations are included in accounts payable and accrued liabilities in the amount of \$37 (2012 – \$401) based on management’s best estimates that reflect the most probable course of action. Further environmental assessments, changes in environmental legislation or other unanticipated changes may affect these estimates.

Note 3 Government Reorganization/Program Transfer (in thousands)

As a result of restructuring of government ministries announced on May 8, 2012 and other transfers of responsibilities to and from other ministries, the responsibility for administration of services associated with the Cabinet Policy Committees was discontinued and responsibilities transferred to the Operations Policy Committee, under the Ministry of Executive Council. Comparatives for 2012 have been restated as if this responsibility had always been assigned to Executive Council. Net assets on March 31, 2012 are made up as follows:

Department of Tourism, Parks and Recreation
Notes to the Financial Statements
Year ended March 31, 2013

Note 3 Government Reorganization/Program Transfer (in thousands) (continued)

Net assets as previously reported	\$ 377,887
Change in Net Financing Provided to General Revenues	(189)
Transfer to the Ministry of Executive Council	<u>189</u>
Net assets at March 31, 2012	<u><u>\$ 377,887</u></u>

Note 4 Accounts Receivable (in thousands)

Accounts receivable are unsecured and non-interest bearing.

	<u>2013</u>		<u>2012</u>	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	<u>\$ 459</u>	<u>\$ 15</u>	<u>\$ 444</u>	<u>\$ 985</u>

Note 5 Deferred Revenue (in thousands)

Opening Deferred Revenue	\$ 1,712
Add: Deferred Revenue received and not utilized in the current year	5,719
Less: Deferred Revenue recognized as revenue in the current year	<u>(233)</u>
Closing Deferred Revenue	<u><u>\$ 7,198</u></u>

Department of Tourism, Parks and Recreation
Notes to the Financial Statements
Year ended March 31, 2013

Note 6 Contractual Obligations (in thousands)

Contractual obligations are obligations of the Department to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2013	2012
Obligations Under Operating Leases, Contracts and Programs		
Capital Construction Contracts	\$ 1,912	\$ 3,444
Grant Agreements	3,413	2,910
Operating Leases	7	112
Service Contracts	11,452	10,576
	\$ 16,784	\$ 17,042

Estimated payment requirements for each of the next five years and thereafter are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Total
2013 - 2014	\$ 8,890
2014- 2015	4,284
2015- 2016	2,352
2016 - 2017	662
2017 - 2018	596
	\$ 16,784

Note 7 Contingent Liabilities (in thousands)

At March 31, 2013 the Ministry is a defendant in five legal claims (2012 - four legal claims). Three of these claims has a specified amount totalling \$768 and the remaining two have no specified amounts (2012 – one claim with a specified amount of \$100 and three with no specified amount). These claims are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Department of Tourism, Parks and Recreation
Notes to the Financial Statements
Year ended March 31, 2013

Note 8 Trust Funds Under Administration (in thousands)

The Department administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the province has no equity in the fund and administers it for the purposes of various trusts, it is not included in the Department's financial statements.

At March 31, 2013 trust funds under administration were as follows:

	2013	2012
Parks General Trust and Performance Deposits	\$ 863	\$ 941

In addition to the above trust fund under administration, the Department holds bank guarantees in the form of letters of credit in the amount of \$19,301 (2012 – \$22,770).

Note 9 Benefit Plans (in thousands)

The Department participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of \$4,311 for the year ended March 31, 2013 (2012 - \$3,603). Departments are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2012 the Management Employees Pension Plan reported a deficiency of \$303,423 (2011 – deficiency \$517,726) and the Public Service Pension Plan reported a deficiency of \$1,645,141 (2011 – deficiency \$1,790,383), and the Supplementary Retirement Plan for Public Service Managers had a deficiency of \$51,870 (2011 – deficiency \$53,489).

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2013, the Bargaining Unit Plan reported an actuarial surplus of \$51,717 (2012 – surplus \$9,136) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$18,327 (2012 – surplus \$10,454). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 10 Comparative Figures

Certain 2012 figures have been reclassified to conform to the 2013 presentation.

Department of Tourism, Parks and Recreation
Notes to the Financial Statements
Year ended March 31, 2013

Note 11 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 1
Revenues
Year ended March 31
(in thousands)

	<u>2013</u>		<u>2012</u>
	Revised Budget	Actual	Actual
Government Transfers			
Federal Government Grants	\$ 248	\$ 235	\$ 22
Investment Income	-	-	1
Premiums, Fees and Licences			
Camping Fees	10,229	9,611	8,048
Lands and Grazing	1,597	1,635	1,320
Other	-	786	687
	<u>11,826</u>	<u>12,032</u>	<u>10,055</u>
Other Revenue			
Donations	-	-	8
Gain on Sale of Tangible Capital Assets	-	49	7
Miscellaneous	2,399	2,899	3,344
Refunds of Expenses	210	438	(211)
Sales	-	74	18
	<u>2,609</u>	<u>3,460</u>	<u>3,166</u>
Total Revenues	<u>\$ 14,683</u>	<u>\$ 15,727</u>	<u>\$ 13,244</u>

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 2
Credit or Recovery
Year ended March 31
(in thousands)

	2013				
	Authorized	Actual Revenue Recognized ^(a)	Deferred Revenue	Actual Cash/ Donations Received	Excess
Parks Operations ^(b)	\$ 12,488	\$ 12,971	\$ 5,172	\$ -	\$ 483
Park Infrastructure Management ^(c)	1,985	2,195	-	-	210
	\$ 14,473	\$ 15,166	\$ 5,172	\$ -	\$ 693

- (a) Revenues from credit or recovery initiatives are included in the Department's revenues in the Statement of Operations and Schedule 1.
- (b) Parks collects various fees and other revenues through the *Parks Act* that are used to partially offset the cost of providing services. These include fees for the use of campgrounds, park facilities and lands, heritage appreciation services (e.g. interpretive bus tours), as well as contributions, sponsorships, donations, grants and payments by corporations, private sector operators, foundations, individuals and others.
- (c) Parks collects a levy for facility redevelopment within fees charged for use of campgrounds and park facilities through the *Parks Act*, as well as contributions, sponsorships, donations, grants and payments by corporations, private sector operators, foundations, individuals and others. This revenue is then used to manage infrastructure within provincial parks.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 3
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(in thousands)

	2013		2012
	Budget	Actual	Actual Restated (Note 3)
Salaries, Wages and Employee Benefits	\$ 54,190	\$ 49,455	\$ 45,407
Supplies and Services ^(a)	30,225	28,772	25,039
Supplies and Services from Support Service Arrangements with Related Parties ^(b)	1,564	3,578	3,054
Grants	76,551	79,397	79,306
Financial Transactions and Other	210	704	866
Amortization of Tangible Capital Assets	18,045	17,293	16,600
Total Expenses before Recoveries	180,785	179,199	170,272
Less Recovery from Support Service Arrangements with Related Parties^(c)	(4,416)	(4,509)	(4,273)
	\$ 176,369	\$ 174,690	\$ 165,999

(a) Includes severance and termination payments in the amount of \$201 related to individuals listed on Schedule 8.

(b) The Department received Freedom of Information and Protection of Privacy services from the Department of Treasury Board and Finance; and Human Resources, Policy, Planning and Legislative services from the Department of Culture.

(c) The Department provided financial and administrative services to the Alberta Sport, Recreation, Parks and Wildlife Foundation of the Ministry of Tourism, Parks and Recreation, and Information Management and Technology services to the Department of Culture. Costs incurred by the Department for these services were recovered from the Alberta Sport, Recreation, Parks and Wildlife Foundation and the Department of Culture.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 4
Budget
Year ended March 31
(in thousands)

	2012-13 Estimate	Adjustment to Conform to Accounting Policy	Revised Estimate	Adjustment	2012-13 Adjusted Budget	Supplementary Estimate	2012-13 Authorized Budget
Revenues							
Federal Government Grants	\$ 15	\$ 233 ^(e)	\$ 248	\$ -	\$ 248	\$ -	\$ 248
Premiums, Fees and Licences	11,826	-	11,826	282 ^(b)	12,108	-	12,108
Other Revenue	2,609	-	2,609	-	2,609	-	2,609
	14,450	233	14,683	282	14,965	-	14,965
Expenses – Directly Incurred							
Ministry Support Services	7,616	-	7,616	(135) ^(a)	7,481	-	7,481
Tourism	64,824	-	64,824	-	64,824	-	64,824
Parks	77,665	-	77,665	282 ^(c)	77,947	-	77,947
Recreation and Sport	26,264	-	26,264	-	26,264	-	26,264
	176,369	-	176,369	147	176,516	-	176,516
Net Operating Results	\$ (161,919)	\$ 233	\$ (161,686)	\$ 135	\$ (161,551)	\$ -	\$ (161,551)
Capital Investment	\$ 13,582	\$ -	\$ 13,582	\$ 1,935 ^(d)	\$ 15,517	\$ -	\$ 15,517
Non- Budgetary Disbursements	\$ 400	\$ -	\$ 400	\$ -	\$ 400	\$ -	\$ 400

- (a) Due to restructuring of government ministries announced on May 8, 2012, \$135 for Cabinet Policy Committee budget was transferred to Ministry of Executive Council.
(b) Treasury Board approved on July 19, 2012 a \$282 increase in operating expense/credit or recovery for additional camping fees that will be generated by putting the Pigeon Lake redevelopment project on hold.
(c) Increase in dedicated revenue due to additional camping fees generated owing to the Pigeon Lake redevelopment project being put on hold.
(d) Treasury Board approved on July 19, 2012 a capital carry forward of \$272 in Parks Infrastructure Management for various provincial parks maintenance and renewal projects and a capital carry forward of \$1,663 for the Canmore Visitor Information Centre.
(e) Adjustment in accordance with PS1201.33 to conform fiscal plan numbers to the accounting policy change adopted for government transfers and capital contributions.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 5
Lapse of Encumbrance
Year ended March 31
(in thousands)

	2012-13 Voted Estimate (a)	Adjustments (b)	Supplementary Estimate	2012-13 Adjusted Voted Estimate	2012-13 Actuals (f)	Unexpended (Over Expended)
Program Operating						
1 Ministry Support Services						
1.0.1 Minister's Office	415	\$ -	\$ -	415	\$ 500	\$ (85)
1.0.2 Deputy Minister's Office	721	-	-	721	737	(16)
1.0.3 Strategic Corporate Services	5,516	-	-	5,516	5,563	(47)
1.0.4 Communications	435	-	-	435	375	60
1.0.5 Cabinet Policy Committee on Community Development	135	(135) (d)	-	-	-	-
	7,222	(135)	-	7,087	7,175	(88)
2 Tourism						
2.0.1 Program Support	600	-	-	600	567	33
2.0.2 Visitor Services	4,391	-	-	4,391	4,212	179
2.0.3 Tourism Destination Competitiveness	3,644	-	-	3,644	4,321	(677)
2.0.4 Online Reservation Service	1,415	-	-	1,415	1,415	-
2.0.5 Major Athletic Events Tourism Services	500	-	-	500	343	157
2.0.6 Research and Investment	3,735	-	-	3,735	2,964	771
2.0.7 Assistance to Travel Alberta Corporation	50,539	-	-	50,539	50,539	-
	64,824	-	-	64,824	64,361	463
3 Parks						
3.0.1 Program Support	924	-	-	924	886	38
3.0.2 Parks Program Coordination	6,115	-	-	6,115	5,539	576
3.0.3 Parks Operations	42,912	255 (c)	-	43,167	43,268	(101)
3.0.4 Parks Infrastructure Management	9,953	27 (c)	-	9,980	9,285	695
	59,904	282	-	60,186	58,978	1,208
4 Recreation and Sport						
4.0.1 Program Support	919	-	-	919	1,737	(818)
4.0.2 Recreation and Sport Services	1,216	-	-	1,216	577	639
4.0.3 Assistance to the Alberta Sport, Recreation, Parks and Wildlife Foundation	23,379	-	-	23,379	23,379	-
4.0.4 Hosting Major Athletic Events	750	-	-	750	544	206
	26,264	-	-	26,264	26,237	27
Total	\$ 158,214	\$ 147	\$ -	\$ 158,361	\$ 156,751	\$ 1,610
Lapse/(Encumbrance)						\$ 1,610

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 5 (continued)
Lapse of Encumbrance
Year ended March 31
(in thousands)

	2012-13 Voted Estimate (a)	Adjustments (b)	Supplementary Estimate	2012-13 Adjusted Voted Estimate	2012-13 Actuals (f)	Unexpended (Over Expended)
Program – Capital Investments						
1 Ministry Support Services						
1.0.3 Strategic Corporate Services						
-Equipment/Inventory Purchases	\$ -	\$ -	\$ -	\$ -	126	\$ (126)
	-	-	-	-	126	(126)
2 Tourism						
2.0.2 Visitor Services						
-Capital Investment	-	1,663 (e)	-	1,663	50	1,613
	-	1,663	-	1,663	50	1,613
3 Parks						
3.0.3 Parks Operations						
-Equipment/Inventory Purchases	220	-	-	220	423	(203)
-Capital Investment	-	-	-	-	49	(49)
3.0.4 Parks Infrastructure Management						
-Equipment/Inventory Purchases	978	-	-	978	800	178
-Capital Investment	12,384	272 (e)	-	12,656	12,419	237
	13,582	272	-	13,854	13,691	163
Total	\$ 13,582	\$ 1,935	\$ -	\$ 15,517	\$ 13,867	\$ 1,650
Lapse/Encumbrance						\$ 1,650

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 5 (continued)
Lapse of Encumbrance
Year ended March 31
(in thousands)

	2012-13 Voted Estimate (a)	Adjustments (b)	Supplementary Estimate	2012-13 Adjusted Voted Estimate	2012-13 Actuals (f)	Unexpended (Over Expended)
Non-Budgetary Disbursements						
3 Parks						
3.0.4 Parks Infrastructure Management	400	-	-	400	373	27
-Capital Investment	400	-	-	400	373	27
Total	\$ 400	\$ -	\$ -	\$ 400	\$ 373	\$ 27
Lapse/Encumbrance						\$ 27

(a) As per "Voted Expense by Program" and "Voted Capital Investment by Program" page 280 and 281 of 2012-13 Government Estimates.

(b) Adjustments include encumbrances, capital carry forward amounts and credit or recovery increases approved by Treasury Board and credit or recovery shortfalls. An encumbrance is incurred when, on a vote by vote basis, the total of actual disbursements in the prior year exceed the total adjusted estimate. All calculated encumbrances from the prior year are reflected as an adjustment to reduce the corresponding Voted Estimate in the current year.

(c) Treasury Board approved on July 19, 2012 a \$282 increase in operating expense/credit or recovery for additional camping fees that will be generated owing to the Pigeon Lake redevelopment project being put on hold.

(d) A transfer of \$135 related to the Cabinet Policy Committee to Executive Committee.

(e) Treasury Board approved on July 19, 2012 a capital carry forward of \$272 in Parks Infrastructure Management for various provincial park maintenance and renewal projects and a capital carry forward of \$1,663 for the Canmore Visitor Information Centre.

(f) Actuals exclude non-voted amounts such as amortization and valuation adjustments.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 6
Comparison of Actual and Budget
Year ended March 31
(in thousands)

	Estimates ^(a)	Actual Voted	Actual Not Voted ^(b)	Actual Total	Difference
Expenses					
Expense by Program					
Ministry Support Services	\$ 7,616	\$ 7,175	\$ 50	\$ 7,225	\$ 391
Tourism	64,824	64,361	147	64,508	316
Parks	77,665	58,978	17,748	76,726	939
Recreation and Sport	26,264	26,237	(6)	26,231	33
	<u>\$ 176,369</u>	<u>\$ 156,751</u>	<u>\$ 17,939</u>	<u>\$ 174,690</u>	<u>\$ 1,679</u>
Expense by Fiscal Plan Category					
Operating Expense	\$ 157,824	\$ 156,251	\$ 646	\$ 156,897	\$ 927
Capital Grants and Support	500	500	-	500	-
Amortization of Tangible Capital Assets	18,045	-	17,293	17,293	752
	<u>\$ 176,369</u>	<u>\$ 156,751</u>	<u>\$ 17,939</u>	<u>\$ 174,690</u>	<u>\$ 1,679</u>
Capital Investment by Program					
Ministry Support Services	\$ -	\$ 126	\$ -	\$ 126	\$ (126)
Tourism	-	50	-	50	(50)
Parks	13,582	13,649	-	13,649	(67)
Recreation and Sport	-	-	-	-	-
	<u>\$ 13,582</u>	<u>\$ 13,825</u>	<u>\$ -</u>	<u>\$ 13,825</u>	<u>\$ (243)</u>

(a) As per page 286 of 2012-13 Government Estimates.

(b) These Amounts are not included in any supply vote either because no cash disbursement is required or because the Legislative Assembly has already provided funding authority pursuant to a statute other than an appropriation act.

**Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 7
Lottery Fund Estimates
Year ended March 31
(in thousands)**

	2012-13 Lottery Fund Estimates	2012-13 Actual	Unexpended (Over Expended)
Parks Operations	\$ 10,000	\$ 10,000	\$ -
Assistance to Alberta Sport, Recreation, Parks and Wildlife Foundation	23,379	23,379	-
	<u>\$ 33,379</u>	<u>\$ 33,379</u>	<u>\$ -</u>

The revenue of the Lottery Fund is transferred to the Department of Treasury Board and Finance on behalf of the General Revenue Fund. Having been transferred to the General Revenue Fund, these monies then become part of the Department's supply vote. This table shows details of the initiatives within the Department that are funded by the Lottery Fund and compares it to the actual results.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 8
Salary and Benefits Disclosure
Year ended March 31
(in thousands)

	2013			2012	
	Base Salary ^(a)	Other Cash Benefits ^(b)	Other Non-cash Benefits ^(c)	Total	Total
Deputy Minister ^(d)	\$ 274	\$ -	\$ 84	\$ 358	\$ 356
Executives					
Assistant Deputy Minister, Tourism Division	192	11	55	258	272
Assistant Deputy Minister, Recreation and Sport Development Division	175	-	48	223	218
Assistant Deputy Minister, Parks Division	162	-	45	207	244
Executive Director, Human Resources ^(e)	157	-	43	200	205
Executive Director, Financial Services	143	8	40	191	178
Executive Director, Policy, Planning and Legislative Services ^(e)	126	-	36	162	156
Executive Director, Information Management and Technology Services ^{(e) (f)}	91	-	22	113	170

Prepared in accordance with Treasury Board Directive 12/98 as amended.

(a) Base salary includes pensionable base pay.

(b) Other cash benefits include vacation payouts and lump sum payments (include overtime if relevant for the particular circumstance). There were no bonuses paid in 2013.

(c) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plan, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.

(d) Automobile provided, no dollar amount included in other non-cash benefits.

(e) The incumbent's services are shared with the Department of Culture which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this Schedule.

(f) This position has been vacant for four months.

**Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 9
Related Party Transactions
Year ended March 31
(in thousands)**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management personnel in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2013	2012	2013	2012
Expenses – Directly Incurred				
Grants	\$ 73,918	\$ 69,778	\$ 346	\$ 177
Other Services	-	-	2,790	2,849
	<u>\$ 73,918</u>	<u>\$ 69,778</u>	<u>\$ 3,136</u>	<u>\$ 3,026</u>
Accounts Receivable	<u>\$ 20</u>	<u>\$ 289</u>	<u>\$ 3</u>	<u>\$ -</u>
Tangible Capital Assets Transferred In (Out)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,715</u>	<u>\$ (871)</u>

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 9 (continued)
Related Party Transactions
Year ended March 31
(in thousands)

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 10.

	Entities in the Ministry		Other Entities	
	2013	2012	2013	2012
Recoveries				
Services Provided	\$ 4,509	\$ 4,257	\$ -	\$ -
Expenses – Incurred by Others				
Accommodation Costs	\$ -	\$ -	\$ 5,757	\$ 5,334
Legal Services	-	-	236	719
Other Services	-	-	3,016	2,905
Parks Maintenance	-	-	962	1,085
	\$ -	\$ -	\$ 9,971	\$ 10,043

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 10
Allocated Costs
Year ended March 31
(in thousands)

Program	2013					2012
	Expenses (a)	Accommodation Costs (b)	Legal Services (c)	Other Services (d)	Parks Maintenance (e)	Total Expenses
Ministry Support Services	\$ 7,225	\$ 471	\$ 38	\$ 561	\$ -	\$ 8,295
Tourism	64,508	981	3	226	-	65,718
Parks	76,726	4,049	193	1,976	962	83,906
Recreation and Sport	26,231	256	2	253	-	26,742
	<u>\$ 174,690</u>	<u>\$ 5,757</u>	<u>\$ 236</u>	<u>\$ 3,016</u>	<u>\$ 962</u>	<u>\$ 184,661</u>
						<u>\$ 176,042</u>

2012
Restated
(Note 3)

Expenses – Incurred by Others

- (a) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.
- (b) Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 9, allocated by square metres.
- (c) Costs shown for Legal Services on Schedule 9, allocated by estimated costs incurred by each program.
- (d) Costs shown for Other Services on Schedule 9, allocated by estimated costs incurred by each program.
- (e) The Department of Transportation provided road and bridge maintenance to Parks. Costs shown for Parks Maintenance on Schedule 9, allocated to the program.

**Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 11
Tangible Capital Assets
Year ended March 31
(in thousands)**

	2013										2012
	General Capital Assets					Infrastructure Assets					Total
	Land	Buildings	Hardware and Software	Equipment ^(a)	Other and Leasehold Improvements	Bridges	Highways and Roads	Land Improvements	Total	Total	
Estimated Useful Life	Indefinite	10-50 years	5-8 years	3-25 years	10-20 years	60 years	50 years	40 years			
Historical Cost ^(b)	\$ 123,280	\$ 188,314	\$ 20,157	\$ 34,432	\$ 18,902	\$ 3,230	\$ 67,314	\$ 202,480	\$ 658,109	\$ 646,899	
Beginning of Year	-	(1,194)	704	2,065	24	-	1,284	10,984	13,867	14,726	
Additions	-	(670)	-	(533)	-	(301)	(24)	123	(1,405)	(2,645)	
Disposals, Including Write-Downs	2,626	-	89	-	-	-	-	-	2,715	(871)	
Transfers to (from) Department	\$ 125,906	\$ 186,450	\$ 20,950	\$ 35,964	\$ 18,926	\$ 2,929	\$ 68,574	\$ 213,587	\$ 673,286	\$ 658,109	
Accumulated Amortization	\$ -	\$ 86,283	\$ 5,450	\$ 18,312	\$ 16,408	\$ 1,102	\$ 42,128	\$ 102,624	\$ 272,307	\$ 257,552	
Beginning of Year	-	5,287	2,471	2,419	139	50	1,894	5,033	17,293	16,600	
Amortization Expense	-	(491)	-	(436)	-	(106)	-	65	(968)	(1,890)	
Effect of Disposals	-	-	-	-	-	-	-	-	-	-	
Effect of Transfer to Department	-	-	-	-	-	-	-	-	-	45	
Net Book Value at March 31, 2013	\$ -	\$ 91,079	\$ 7,921	\$ 20,295	\$ 16,547	\$ 1,046	\$ 44,022	\$ 107,722	\$ 288,632	\$ 272,307	
Net Book Value at March 31, 2012	\$ 125,906	\$ 95,371	\$ 13,029	\$ 15,669	\$ 2,379	\$ 1,883	\$ 24,552	\$ 105,865	\$ 384,654	\$ 385,802	

^(a) Equipment includes network switches and routers, vehicles, heavy equipment, fire protection equipment, office equipment and furniture, and other equipment.

^(b) Historical cost includes work-in-progress at March 31, 2013 totaling \$20,040 (2012 - \$25,774) comprised of: buildings \$3,834 (2012 - \$9,738); computer hardware and software \$912 (2012 - \$1,661); equipment \$1,219 (2012 - \$2,064); other \$29 (2012 - \$6); land improvements \$13,983 (2012 - \$12,262); highways \$63 (2012 - \$27) and bridges \$ Nil (2012 - \$16).

Travel Alberta

Financial Statements
March 31, 2013

**Travel Alberta
Financial Statements
March 31, 2013**

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Revenues

Schedule 2 – Expenses – Directly Incurred Detailed by Object

Schedule 3 – Budget

Schedule 4 – Salary and Benefits Disclosure

Schedule 5 – Related Party Transactions



Independent Auditor's Report

To the Board of Directors of Travel Alberta and the Minister of Tourism, Parks and Recreation

Report on the Financial Statements

I have audited the accompanying financial statements of Travel Alberta, which comprise the statement of financial position as at March 31, 2013, and the statements of operations 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 public sector accounting standards, 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Travel Alberta as at March 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 23, 2013

Edmonton, Alberta

**Travel Alberta
Statement of Operations
Year ended March 31
(in thousands)**

	2013		2012
	Budget (Schedule 3)	Actual	Actual
Revenues (Schedule 1)			
Government of Alberta Transfers	\$ 50,539	\$ 50,539	\$ 46,499
Investment Income	296	462	437
Premiums, Fees and Licences	-	212	222
Other Revenue	-	1,364	1,475
	<u>50,835</u>	<u>52,577</u>	<u>48,633</u>
Expenses – Directly Incurred (Note 2(b))			
Program (Schedule 2)			
Global Marketing	35,150	40,055	38,531
E-Marketing	2,820	1,587	3,148
Regional Industry Marketing	10,220	9,812	8,479
Corporate Operations	5,085	4,853	4,752
	<u>53,275</u>	<u>56,307</u>	<u>54,910</u>
Net Operating Results	<u>\$ (2,440)</u>	<u>\$ (3,730)</u>	<u>\$ (6,277)</u>

The accompanying notes and schedules are part of these financial statements.

Travel Alberta
Statement of Financial Position
As at March 31
(in thousands)

	2013	2012
Assets		
Cash and Cash Equivalents (Note 3)	\$ 11,839	\$ 14,929
Accounts Receivable (Note 4)	63	110
Prepaid Expenses (Note 4)	123	9
	12,025	15,048
 Tangible Capital Assets (Note 5)	 392	 523
	\$ 12,417	\$ 15,571
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	\$ 5,543	\$ 4,967
Net Assets		
Net Assets – Unrestricted	392	523
Net Assets – Sustainability Fund (Note 7)	6,482	10,081
	6,874	10,604
Net Assets	\$ 12,417	\$ 15,571
 Contractual obligations (Note 8)		

The accompanying notes and schedules are part of these financial statements.

**Travel Alberta
Statement of Cash Flows
Year ended March 31
(in thousands)**

	<u>2013</u>	<u>2012</u>
Operating Transactions		
Net Operating Results	\$ (3,730)	\$ (6,277)
Non-cash Items Included in Net Operating Results		
Amortization	131	105
	<u>(3,599)</u>	<u>(6,172)</u>
Decrease in Accounts Receivable	47	78
(Increase) Decrease in Prepaid Expenses	(114)	1
Increase in Accounts Payable and Accrued Liabilities	576	756
	<u>(3,090)</u>	<u>(5,337)</u>
Capital Transactions		
Acquisition of Tangible Capital Assets	-	(144)
	<u>-</u>	<u>(144)</u>
Cash Applied to Capital Transactions	-	(144)
	<u>-</u>	<u>-</u>
Financing Transactions	<u>-</u>	<u>-</u>
Decrease in Cash	(3,090)	(5,481)
Cash and Cash Equivalents at Beginning of Year	<u>14,929</u>	<u>20,410</u>
Cash and Cash Equivalents at End of Year	<u>\$ 11,839</u>	<u>\$ 14,929</u>

The accompanying notes and schedules are part of these financial statements.

Travel Alberta
Notes to the Financial Statements
Year ended March 31, 2013

Note 1 Authority and Purpose

Travel Alberta (the “Corporation”) operates under the authority of the *Travel Alberta Act*, Chapter T-6.5, Statutes of Alberta 2008. The Corporation’s results are consolidated into the Ministry of Tourism, Parks and Recreation (Ministry), which operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Corporation is to:

- market tourism assets, attractions and opportunities present in Alberta, in domestic, national and international markets,
- promote Alberta as a destination for tourists and other visitors,
- assist Alberta’s tourism industry operators to market their products, and
- exercise or perform any other powers, duties and functions as may be regulated from time to time by the Lieutenant Governor in Council.

The Corporation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is Travel Alberta, which is part of the Ministry and for which the Minister of Alberta Tourism, Parks and Recreation is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry’s operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenue Accounting Policy

Substantially all of the Corporation’s revenue is from the Province of Alberta’s allocation of the Tourism Levy.

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

**Travel Alberta
Notes to the Financial Statements
Year ended March 31, 2013**

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenue Accounting Policy (continued)

Other revenue is primarily from partners which is received or receivable for specific marketing projects. The revenue is recognized as the projects take place. Investment income is recognized as revenue is earned.

Government Transfers

Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the terms of the transfer, or the stipulations together with the Corporation's actions and communications as to the use of the transfers create a liability.

Expenses

Directly Incurred

Directly incurred expenses are those costs for which the Corporation has primary responsibility and accountability for, as reflected in the government's budget document.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for the current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, and long-term disability.

Travel Alberta
Notes to the Financial Statements
Year ended March 31, 2013

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Corporation are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Tangible capital assets of the Corporation are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major system enhancements is \$100,000. The threshold for all other tangible capital assets is \$10,000. All land is capitalized.

Contributed tangible capital assets are recorded at their fair value at the time of contribution.

Amortization commences when assets go into use and continues until such time when they are taken out of use.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Assets/Net Liabilities

Net assets/Net Liabilities represent the difference between the carrying value of assets held by the Corporation and its liabilities.

Travel Alberta
Notes to the Financial Statements
Year ended March 31, 2013

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Net Assets/Net Liabilities (continued)

Canadian Public Sector Accounting Standards require a “net debt” presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as “net debt” or “net financial assets” as an indicator of the future revenues required to pay for past transactions and events. The Corporation operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm’s length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash, Accounts Receivable, and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Measurement Uncertainty

In preparing the Corporation’s financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

Travel Alberta
Notes to the Financial Statements
Year ended March 31, 2013

Note 3 Cash and Cash Equivalents (in thousands)

	2013	2012
Consolidated Cash Investment Trust Fund	\$ 6,004	\$ 10,038
Cash in Other Bank Accounts	5,835	4,891
	\$ 11,839	\$ 14,929

Cash consists of funds in operating accounts and deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. For the year ended March 31, 2013, securities held by the CCITF had a time-weighted return of 1.3% per annum (2012 – 1.3% per annum).

Note 4 Accounts Receivable and Prepaid Expenses (in thousands)

Accounts receivable are unsecured and non-interest bearing

	2013		2012	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 63	\$ -	\$ 63	\$ 110
Prepaid Expenses	123	-	123	9
	\$ 186	\$ -	\$ 186	\$ 119

Travel Alberta
Notes to the Financial Statements
Year ended March 31, 2013

Note 5 Tangible Capital Assets (in thousands)

	2013			2012
	Computer Hardware and Software	Leasehold Improvements	Total	Total
Estimated Useful Life	3 years	10 years		
Historical Costs				
Beginning of Year	\$ 319	\$ 407	\$ 726	\$ 582
Additions	-	-	-	144
Disposals, Including Write Downs	-	-	-	-
	319	407	726	726
Accumulated Amortization				
Beginning of Year	119	84	203	98
Amortization Expense	90	41	131	105
Effect of Disposals	-	-	-	-
	209	125	334	203
Net Book Value at March 31, 2013	\$ 110	\$ 282	\$ 392	
Net Book Value at March 31, 2012		\$ 323		\$ 523

Note 6 Accounts Payable and Accrued Liabilities (in thousands)

	2013	2012
Trade Accounts Payable	\$ 3,386	\$ 3,563
Accruals and Other Liabilities	2,157	1,404
	\$ 5,543	\$ 4,967

Travel Alberta
Notes to the Financial Statements
Year ended March 31, 2013

Note 7 Net Assets – Sustainability Fund (in thousands)

	2013	2012
Balance, beginning of year	\$ 10,081	\$ 16,397
Decrease – as budgeted (Schedule 3)	(4,205)	(8,261)
Actual difference to budget	606	1,945
	\$ 6,482	\$ 10,081

The Sustainability Fund, approved by the Board of Directors, has been created to allow at least partial sustainability of programs in future years when declines in the tourism levy funding allocated to the Corporation require reductions in program spending.

Note 8 Contractual Obligations (in thousands)

Contractual obligations are obligations of the Corporation to others that will become liabilities in the future when the terms of the contracts or agreements are met.

	2013	2012
Obligations Under Operating Leases, Contracts and Programs		
Operating Leases	\$ 7,062	\$ 7,617
Service Contracts	16,494	29,802
	\$ 23,556	\$ 37,419

Estimated payment requirements for obligations under operating leases, contracts and programs for the next five years and thereafter are as follows:

<u>Obligation Under Operating Leases, Contracts and Programs</u>	<u>Total</u>
2013 – 2014	\$ 16,175
2014 – 2015	1,925
2015 – 2016	1,377
2016 – 2017	1,000
2017 – 2018	1,031
Thereafter	2,048
	\$ 23,556

Travel Alberta
Notes to the Financial Statements
Year ended March 31, 2013

Note 9 Benefit Plans (in thousands)

The Corporation participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$1,025 for the year ended March 31, 2013 (2012 - \$827). The Corporation is not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2012 the Management Employees Pension Plan reported a deficiency of \$303,423 (2011 - deficiency \$517,726), the Public Service Pension Plan reported a deficiency of \$1,645,141 (2011 - deficiency \$1,790,383) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of \$51,870 (2011 - deficiency \$53,489).

Note 10 Comparative Figures

Certain 2012 figures have been reclassified to conform to the 2013 presentation.

Note 11 Approval of Financial Statements

The financial statements were approved by the Board of Directors on May 23, 2013.

Travel Alberta
Schedule to the Financial Statements – Schedule 1
Revenues
Year ended March 31
(in thousands)

	<u>2013</u>		<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Government Transfers			
Government of Alberta			
Tourism, Parks and Recreation	\$ 50,539	\$ 50,539	\$ 46,499
Investment Income			
Interest	296	462	437
Premiums, Fees and Licences			
Other	-	212	222
Other Revenue			
Sponsorship	-	137	113
Revenue from Partners	-	1,227	1,362
	-	1,364	1,475
Total Revenues	\$ 50,835	\$ 52,577	\$ 48,633

Travel Alberta
Schedule to the Financial Statements – Schedule 2
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(in thousands)

	2013		2012
	Budget	Actual	Restated Actual
Salaries, Wages and Employee Benefits	\$ 8,550	\$ 8,374	\$ 6,978 ^(b)
Supplies and Services	44,490	47,799 ^(a)	41,028 ^(b)
Grants	-	-	6,781
Financial Transactions and Other	-	3	18
Amortization of Tangible Capital Assets	235	131	105
	<u>\$ 53,275</u>	<u>\$ 56,307</u>	<u>\$ 54,910</u>

(a) Includes severance and termination payments in the amount of \$11 related to individuals on Schedule 4.

(b) 2012 amounts for Salaries, Wages and Employee Benefits have been restated by a reduction of \$27 for severances which have been restated into Supplies and Services.

Travel Alberta
Schedule to the Financial Statements – Schedule 3
Budget
Year ended March 31
(in thousands)

	2012-13 Estimates	Adjustment ^{(a)(b)}	2012-13 Budget	Supplementary Estimate	2012-13 Authorized Budget
Revenues					
Government of Alberta Transfers	\$ 50,539	\$ -	\$ 50,539	\$ -	\$ 50,539
Investment Income	296	104	400	-	400
Premiums, Fees and Licences	-	-	-	-	-
Other Revenue	-	1,100	1,100	-	1,100
	<u>50,835</u>	<u>1,204</u>	<u>52,039</u>	<u>-</u>	<u>52,039</u>
Expenses – Directly Incurred					
Global Marketing	35,150	3,204	38,354	-	38,354
E-Marketing	2,820	-	2,820	-	2,820
Regional Industry Marketing	10,220	-	10,220	-	10,220
Corporate Operations	5,085	-	5,085	-	5,085
	<u>53,275</u>	<u>3,204</u>	<u>56,479</u>	<u>-</u>	<u>56,479</u>
Net Operating Results	<u>\$ (2,440)</u>	<u>\$ (2,000)</u>	<u>\$ (4,440)</u>	<u>\$ -</u>	<u>\$ (4,440)</u>

(a) Treasury Board approval is pursuant to section 24(2) of the *Financial Administration Act*.

(b) During the Q3 reforecast an additional \$3,204 of expenses were approved for Global Marketing which was offset by additional earned revenues of \$1,204 and a Treasury Board approval in July 2012 for \$2,000 of additional funds to be utilized from the Sustainability Fund.

Travel Alberta
Schedule to the Financial Statements - Schedule 4
Salary and Benefits Disclosure
Year ended March 31
(in thousands)

	2013			2012	
	Base Salary ^(a)	Other Cash Benefits ^(b)	Other Non-cash Benefits ^(c)	Total	Total ^(d)
Chairman of the Board	\$ -	\$ 29	\$ -	\$ 29	\$ 31
Board Members ^(e)	-	53	-	53	57
Executives					
Chief Executive Officer	240	62	88	390 ^(f)	261
Vice President, Global Marketing & Communications ^(g)	155	1	42	198	111
<i>Vice President, Corporate Services^(h)</i>	-	-	-	-	45
Vice President, Industry Relations ⁽ⁱ⁾	145	-	38	183	165
Vice President, Community Relations ^(j)	110	5	32	147	-
<i>Executive Director, Corporate Communication^(k)</i>	9	-	6	15	155
Executive Director, Finance & Administration ^(h)	123	-	34	157	145
Executive Director, Human Resources ^(h)	124	-	34	158	145

Prepared in accordance with Treasury Board Directive 12/98 as amended.

- (a) Base salary includes pensionable base pay.
- (b) Other cash benefits include honoraria, car allowances and any prior year lump sum retroactive payments. There was no "at-risk pay" paid in 2013.
- (c) Other non-cash benefits include Corporation's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plan, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.
- (d) The totals for 2012 have been restated to include the Corporation's share of CPP, EI and the Health Spending Account.
- (e) The board consists of eight independent members including the Chairman, whose honorarium is disclosed separately. In addition, the Deputy Minister of Tourism, Parks and Recreation sits on the Board but receives no compensation from the Corporation.
- (f) Includes a one-time retroactive lump sum salary adjustment for the prior year as a result of the third party management compensation review conducted by Hay Group. The adjustments have been reflected in the other cash benefits column along with the corresponding increase to other non-cash benefits for the pension benefit.
- (g) The Vice President, Global Marketing & Communications title has changed from the previous year. In 2012 it was Vice President, Marketing. The Vice President, Marketing position was vacant from April 1, 2011 to October 31, 2011.
- (h) The Vice President, Corporate Services position was occupied until June 24, 2011. This position was not replaced. The Director, Finance & Administration and Director, Human Resources were moved into the leadership team as Executive Directors.
- (i) The Vice President, Industry Relations title has changed from the previous year. In 2012 it was Executive Director, Industry Relations.
- (j) The Vice President, Community Relations position was occupied from May 1, 2012.
- (k) The Executive Director, Corporate Communication position was occupied until April 27, 2012. This position was not replaced.

Travel Alberta
Schedule to the Financial Statements – Schedule 5
Related Party Transactions
Year ended March 31
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The Corporation and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Corporation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2013	2012	2013	2012
Revenues				
Government of Alberta Transfers	\$ 50,539	\$ 46,499	\$ -	\$ -
Other Revenue	-	-	21	30
	50,539	46,499	21	30
Expenses – Directly Incurred				
Other services	\$ -	\$ -	\$ 51	\$ 41
Accounts Receivable	\$ 11	\$ 11	\$ -	\$ 20
Accounts Payable	\$ -	\$ 255	\$ -	\$ 12

Alberta Sport, Recreation, Parks and Wildlife Foundation

Financial Statements
March 31, 2013

**Alberta Sport, Recreation, Parks and Wildlife Foundation
Financial Statements
March 31, 2013**

Independent Auditor's Report

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Independent Auditor's Report

To the Members of Alberta Sport, Recreation, Parks and Wildlife Foundation and the Minister of Tourism, Parks and Recreation

Report on the Financial Statements

I have audited the accompanying financial statements of the Alberta Sport, Recreation, Parks and Wildlife Foundation, which comprise the statement of financial position as at March 31, 2013, and the statements of operations 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 public sector accounting standards, 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Alberta Sport, Recreation, Parks and Wildlife Foundation as at March 31, 2013, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

June 3, 2013

Edmonton, Alberta

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Operations
Year ended March 31
(in thousands)

	2013				2012	
	Budget	Unrestricted Fund	Restricted Fund	Endowment	Total Actual	Total Actual
				Restricted Fund		
Revenues (Schedule 1)						
Government of Alberta Grants	\$ 23,379	\$ 23,379	\$ -	\$ -	\$ 23,379	\$ 23,279
Federal Government Grants	378	438	-	-	438	471
Investment Income	275	166	326	-	492	191
Premiums, Fees and Licenses	190	205	-	-	205	213
Other Revenue	2,160	949	395	-	1,344	1,230
	<u>26,382</u>	<u>25,137</u>	<u>721</u>	<u>-</u>	<u>25,858</u>	<u>25,384</u>
Expenses – Directly Incurred (Note 2(b))						
Program (Schedules 2 and 4)						
Provincial Programs	16,749	15,690	52	-	15,742	16,019
Alberta and Interprovincial Games	3,243	2,981	160	-	3,141	2,953
Active Lifestyles	1,918	2,214	-	-	2,214	1,957
Municipal Recreation / Tourism Areas	1,474	1,473	-	-	1,473	1,473
High Performance Athlete Assistance	1,010	913	-	-	913	968
Provincial and Regional Development	710	710	-	-	710	729
Percy Page Centre (Note 9)	419	326	-	-	326	311
Parks and Wildlife Ventures	371	344	148	-	492	315
Other Initiatives	25	32	3	-	35	123
Administration	475	423	12	-	435	480
	<u>26,394</u>	<u>25,106</u>	<u>375</u>	<u>-</u>	<u>25,481</u>	<u>25,328</u>
Net Operating Results	<u>\$ (12)</u>	31	346	-	377	56
Fund Balances at Beginning of Year		957	3,989	426	5,372	5,316
Fund Balances at End of Year		<u>\$ 988</u>	<u>\$ 4,335</u>	<u>\$ 426</u>	<u>\$ 5,749</u>	<u>\$ 5,372</u>

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Financial Position
As at March 31
(in thousands)

	2013	2012
Assets		
Cash and Cash Equivalents (Note 3)	\$ 3,078	\$ 3,151
Accounts Receivable (Note 4)	893	59
Prepaid Expenses and Inventory (Note 5)	65	61
	4,036	3,271
Endowment Restricted Cash (Note 8)	426	426
Tangible Capital Assets (Schedule 5)	2,704	2,352
	\$ 7,166	\$ 6,049
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 1,389	\$ 677
Unearned Revenue	28	-
	1,417	677
Fund Balances		
Unrestricted	988	957
Restricted (Note 7)	4,335	3,989
Endowment Restricted (Note 8)	426	426
	5,749	5,372
	\$ 7,166	\$ 6,049

Contractual Obligations (Note 12)

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Cash Flows
Year ended March 31
(in thousands)

	2013	2012
Operating Transactions		
Net Operating Results	\$ 377	\$ 56
Non-cash Items Included in Net Operating Results		
Amortization	20	14
	397	70
(Increase) Decrease in Accounts Receivable	(834)	172
Increase in Prepaid Expenses and Inventory	(4)	(3)
Increase in Accounts Payable and Accrued Liabilities	712	297
Increase (Decrease) in Unearned Revenue	28	(37)
	299	499
Capital Transactions		
Acquisition of Tangible Capital Assets	(423)	(36)
Loss on Disposal of Tangible Capital Assets	51	
	(372)	(36)
(Decrease) Increase in Cash and Cash Equivalents	(73)	463
Cash and Cash Equivalents at Beginning of Year	3,577	3,114
Cash and Cash Equivalents at End of Year	\$ 3,504	\$ 3,577

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2013

Note 1 Authority and Purpose

The Alberta Sport, Recreation, Parks and Wildlife Foundation (Foundation) operates under the authority of the *Alberta Sport, Recreation, Parks and Wildlife Foundation Act*, Chapter A-34, Revised Statutes of Alberta 2000.

The purpose of the Foundation is to support enhancement of sport, recreation, parks and wildlife programs for all Albertans.

The Foundation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Alberta Sport, Recreation, Parks and Wildlife Foundation, which is part of the Ministry of Tourism, Parks and Recreation (Ministry) and for which the Minister of Tourism, Parks and Recreation is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Fund Accounting

Transactions are grouped, for accounting and reporting purposes, into funds in accordance with specified activities or objectives. These funds are described as follows:

- Unrestricted fund accounts for revenues and expenses associated with the primary activities of the Foundation;
- Restricted fund accounts for non-government contributions received for which donors have specified the purpose, restricted interest earned, restricted related expenses incurred; and funds restricted by the Board of Directors;
- Endowment fund accounts for contributions received under various agreements with sponsors and matching funds provided by the Foundation. Interest earned on the existing endowment funds can only be used to fund various sport programs, and are therefore recorded as part of the restricted fund. The principal must remain intact.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2013

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Financial Instruments

Effective April 1, 2012, the Foundation adopted PS 3450 Financial Instruments. This section deals with how to account for and report financial instruments.

As the Foundation does not have any transactions involving financial instruments that are classified in the fair value category and has no foreign currency transactions, there are no remeasurement gains and losses and therefore a statement of remeasurement gains and losses has not been presented.

Revenue Accounting Policy

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Government Transfers

Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the terms of the transfer, or the stipulations together with the Foundation's actions and communications as to the use of the transfers create a liability.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2013

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include amortization of tangible capital assets.

Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Foundation operations are not recognized and are disclosed in Schedule 3 and allocated to programs in Schedule 4.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets of the Foundation are limited to financial claims, such as advances to and receivables from other organizations and individuals, as well as inventories held for resale.

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the first in, first out basis.

Assets acquired by right are not included. Tangible capital assets of the ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major system enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000. All land is capitalized.

Contributed tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the tangible capital asset is in use.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2013

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets (continued)

Artworks are not recorded as assets. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks are reported as revenue and expensed at their fair value when fair value can be reasonably determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash and Cash Equivalents, Accounts Receivable, and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

Note 3 Cash and Cash Equivalents (in thousands)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2013, securities held by the CCITF have a time-weighted return of 1.3% per annum (2012 – 1.3% per annum).

Cash in the amount of \$1,578 (2012 - \$1,592) has been externally restricted and \$140 (2012 - \$138) has been internally restricted and is therefore not available to pay for operating expenses (Note 7).

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2013

Note 4 Accounts Receivable (in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2013		2012	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 893	\$ -	\$ 893	\$ 59

Note 5 Prepaid Expenses and Inventory (in thousands)

	2013	2012
Inventory	\$ 22	\$ 18
Prepaid Expenses	43	43
	\$ 65	\$ 61

Note 6 Artworks (in thousands)

The Foundation has a collection of artworks consisting of 19 (2012 - 19) prints of the Waterfowl of North America Collection #1250 with an approximate value of \$5 (2012 - \$5). There were no artwork dispositions (2012 – Nil) or acquisitions (2012 – Nil) during the year.

Note 7 Restricted Fund (in thousands)

	2013	2012
Investment in Land, Equipment, and Buildings ^(a)	\$ 2,617	\$ 2,259
Externally Restricted Funds	1,578	1,592
Internally Restricted Funds	140	138
	\$ 4,335	\$ 3,989

^(a) The land, equipment, and buildings are governed by restrictions that require the Foundation to use these assets for its programs.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2013

Note 8 Endowment Restricted Fund (in thousands)

	2013	2012
Externally Restricted Contributions	\$ 228	\$ 228
Internally Restricted Matching Funds	198	198
	\$ 426	\$ 426

Note 9 Percy Page Centre

The Foundation operates the Percy Page Centre in Edmonton to provide accommodation and office services to not-for-profit organizations. These organizations are charged for their use of office equipment, supplies and print shop facilities.

Note 10 Trust Fund (in thousands)

The Foundation is the beneficiary of a trust fund that is administered by the Royal Trust Corporation of Canada over which the Foundation has no power of administration or appropriation. Because the province has no equity in the fund and is only the beneficiary of the income portion of the fund, it is not included in the Foundation's financial statements.

At March 31, 2013 the trust fund was as follows:

	2013	2012
Peaceful Valley Trust	\$ 1,851	\$ 2,076

The income generated from the trust fund is only recognized at the time of withdrawal. The funds are restricted and are to be used for the maintenance or expansion of Peaceful Valley.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2013

Note 11 Honoraria (in thousands)

	2013			2012	
	Honoraria ^(a)	Benefits and Allowances ^(b)	Total	Total	
Board ^(c)					
Chair	\$ 23	\$ -	\$ 23	\$	33
Other Members (9)	58	-	58		89
	\$ 81	\$ -	\$ 81	\$	122

- (a) The Foundation has no employees. Staff of the Department of Tourism, Parks and Recreation administers the Foundation. Disclosure of information on their salaries and benefits, a requirement under Treasury Board Directive 12/98 as amended, is included in the financial statements of the Department of Tourism, Parks and Recreation.
- (b) No benefits were provided to board members.
- (c) Members appointed to the Foundation's board are paid honoraria for attending Foundation meetings at rates set by Ministerial Order. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Foundation duties.

Note 12 Contractual Obligations (in thousands)

Contractual obligations are obligations of the Foundation to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2013	2012
Obligations Under Operating Leases, Contracts and Programs		
Grant Agreements	\$ 270	\$ 200
Operating Leases	233	322
Service Contracts	227	28
	\$ 730	\$ 550

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2013

Note 12 Contractual Obligations (in thousands) (continued)

Estimated payment requirements for each of the next four years are as follows:

Obligations Under Operating Leases, Contracts and Programs

	<u>Total</u>
2013 – 2014	\$ 492
2014 – 2015	196
2015 – 2016	32
2016 – 2017	<u>10</u>
	<u>\$ 730</u>

Note 13 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 1
Revenues
Year ended March 31
(in thousands)

	2013				2012	
	Budget	Unrestricted Fund	Restricted Fund	Endowment Restricted Fund	Total Actual	Total Actual
Government Transfers						
Government of Alberta Grants						
Tourism, Parks and Recreation	\$ 23,379	\$ 23,379	\$ -	-	\$ 23,379	\$ 23,279
Federal Government Grants	378	438	-	-	438	471
Investment Income						
Interest	275	166	326	-	492	191
Premiums, Fees and Licences						
Alberta Games Registration Fees	175	189	-	-	189	154
Alberta's Future Leaders Fees	15	16	-	-	16	17
Conference Fees	-	-	-	-	-	42
	190	205	-	-	205	213
Other Revenue						
Donations	1,686	601	388	-	989	907
Miscellaneous	35	39	-	-	39	44
Refunds of Expenses	20	37	-	-	37	19
Sales						
Percy Page Centre (Note 9)	419	272	-	-	272	257
Parks and Wildlife Ventures	-	-	7	-	7	3
	2,160	949	395	-	1,344	1,230
Total Revenues	\$ 26,382	\$ 25,137	\$ 721	\$ -	\$ 25,858	\$ 25,384

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 2
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(in thousands)

	2013		2012
	Budget	Actual	Actual
Honoraria (Note 11)	\$ 55	\$ 81	\$ 122
Supplies and Services	2,095	1,862	2,483
Supplies and Services from Support Service Arrangements with Related Parties ^(a)	3,118	3,187	2,927
Grants	21,114	20,280	19,782
Amortization of Tangible Capital Assets	12	20	14
Other (Write-offs and Losses)	-	51	-
	\$ 26,394	\$ 25,481	\$ 25,328

^(a) The Foundation receives financial and administrative services from the Department of Tourism, Parks and Recreation.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 3
Related Party Transactions
Year ended March 31
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2013	2012	2013	2012
Revenues				
Government Transfers	\$ 23,379	\$ 23,279	\$ -	\$ -
Expenses – Directly Incurred				
Grants	\$ -	\$ -	\$ 2,056	\$ 1,848
Other services	-	-	22	31
	\$ -	\$ -	\$ 2,078	\$ 1,879
Accounts Receivable	\$ 300			
Accounts Payable	\$ 20	\$ 34	\$ -	\$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2013	2012	2013	2012
Expenses – Incurred by Others				
Accommodation Costs	\$ -	\$ -	\$ 1,412	\$ 1,354
Legal Services	-	-	31	9
Other Services	152	476	-	-
	\$ 152	\$ 476	\$ 1,443	\$ 1,363

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 4
Allocated Costs
Year ended March 31
(in thousands)

Program	2013				2012	
	Expenses (a)	Accommodation Costs (b)	Legal Services (c)	Other Services (d)	Total Expenses	Total Expenses
Provincial Programs	\$ 15,742	\$ 35	\$ -	\$ 48	\$ 15,825	\$ 16,205
Alberta and Interprovincial Games	3,141	148	-	54	3,343	3,266
Active Lifestyles	2,214	8	-	6	2,228	1,984
Municipal Recreation / Tourism Areas	1,473	9	-	8	1,490	1,504
High Performance Athlete Assistance	913	-	-	-	913	968
Provincial and Regional Development	710	-	-	2	712	734
Percy Page Centre (Note 9)	326	1,188	-	6	1,520	1,469
Parks and Wildlife Ventures	492	7	31	9	539	360
Other Initiatives	35	-	-	2	37	128
Administration	435	17	-	17	469	549
	<u>\$ 25,481</u>	<u>\$ 1,412</u>	<u>\$ 31</u>	<u>\$ 152</u>	<u>\$ 27,076</u>	<u>\$ 27,167</u>

- (a) Expenses – Directly Incurred as per Statement of Operations.
(b) Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 3, allocated by square metres.
(c) Costs shown for Legal Services on Schedule 3, allocated by estimated costs incurred by each program.
(d) Costs shown for Other Services on Schedule 3, allocated by estimated costs incurred by each program.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 5
Tangible Capital Assets
Year ended March 31
(in thousands)

	2013							2012
	Unrestricted Assets			Restricted Assets ^(a)				Total
	Land	Equipment	Land	Buildings	Equipment	Land Improvements	Total	
Estimated Useful Life	Indefinite	5 - 10 years	Indefinite	40 years	5 - 10 years	40 years	40 years	Total
Historical Costs								
Beginning of Year	\$ 64	\$ 54	\$ 2,050	\$ 266	\$ 23	\$ 15	\$ 2,472	\$ 2,436
Additions	-	-	343	55	-	25	423	36
Disposals, Including Write-Downs	-	-	-	(53)	-	-	(53)	-
	\$ 64	\$ 54	\$ 2,393	\$ 268	\$ 23	\$ 40	\$ 2,842	\$ 2,472
Accumulated Amortization								
Beginning of Year	\$ -	\$ 25	\$ -	\$ 93	\$ 1	\$ 1	\$ 120	\$ 106
Amortization Expense	-	8	-	9	2	1	20	14
Effect of Disposals	-	-	-	(2)	-	-	(2)	-
	\$ -	\$ 33	\$ -	\$ 100	\$ 3	\$ 2	\$ 138	\$ 120
Net Book Value at March 31, 2013	\$ 64	\$ 21	\$ 2,393	\$ 168	\$ 20	\$ 38	\$ 2,704	\$ 2,704
Net Book Value at March 31, 2012	\$ 64	\$ 29	\$ 2,050	\$ 173	\$ 22	\$ 14	\$ 2,352	\$ 2,352

^(a) Restricted for use in the Parks and Wildlife Ventures program.

Other Information

Ministry of Tourism, Parks and Recreation Statements of Writeoffs Year Ended March 31, 2013

The following information is unaudited:

The following statement has been prepared pursuant to Section 23 of the *Financial Administration Act* and is unaudited. This statement includes all writeoffs made or approved during the fiscal period.

Writeoffs	
Accounts Receivable	\$10,304
Total Writeoffs	<u>\$10,304</u>

Acts Administered by Tourism, Parks and Recreation

Tourism, Parks and Recreation is responsible for a wide array of acts that have a direct impact on quality of life in Alberta. Below is a list of all acts administered by Tourism, Parks and Recreation. If you would like to review these acts in more detail, they are included on the ministry's website (www.tpr.alberta.ca/about/legislation.aspx).

NAME OF ACT	DESCRIPTION
<i>Alberta Sport, Recreation, Parks and Wildlife Foundation Act</i>	Establishes the foundation with its mandate to develop and maintain sport, park and recreation programs, facilities and services, raise funds, provide grants and acquire real and personal property.
<i>Black Creek Heritage Rangeland Trails Act</i>	Provides for the establishment, protecting and management of the Black Creek Heritage Rangeland Trails. (Unproclaimed)
<i>Provincial Parks Act</i>	Provides for the establishment, protection, management, planning and control of provincial parks, wildland parks and provincial recreation areas.
<i>Recreation Development Act</i>	Provides for promoting and encouraging the orderly development of recreation activities and facilities.
<i>Travel Alberta Act</i>	Establishes the corporation with its mandate to market the tourism assets, attractions and opportunities present in Alberta in domestic, national and international markets; to promote Alberta as a destination for tourists and other visitors; and to assist Alberta's tourism industry operators to market their products.
<i>Wilderness Areas, Ecological Reserves, Natural Areas and Heritage Rangelands Act</i>	Provides for the establishment, protection and management of wilderness areas, ecological reserves, natural areas and heritage rangelands.
<i>Willmore Wilderness Park Act</i>	Establishes and protects the Willmore Wilderness Park.

Performance Measures: Data Source and Methodology

Tourism Division Client Satisfaction Survey

(Measure: 1.a)

The Client Satisfaction Survey was conducted with public and private sector representatives who had received tourism development information, advice and assistance from the Tourism Division. Banister Research and Consulting Inc. was responsible for reviewing the survey and questionnaire design, data quality control, analysis and report preparation. Respondents were given the choice of completing the survey online or by telephone. Data for the online surveys and telephone interviews was collected from May 6 to 17, 2013, resulting in 87 survey completions. Overall results were determined using the top two combined response categories of a five-point rating scale for the categories: very satisfied, somewhat satisfied, neutral, somewhat dissatisfied and very dissatisfied. The response rate for the survey was 57.2 per cent and the margin of error is +/-6.9 per cent, 19 times out of 20.

Statistics Canada, Travel Survey of Residents of Canada and the International Travel Survey, and Tourism, Parks and Recreation

(Measure: 1.b)

The total value of tourism expenditures in Alberta is derived by Tourism, Parks and Recreation from the data published by Statistics Canada in the Travel Survey of Residents of Canada and the International Travel Survey.

The 2012 estimate is not provided due to a significant change in methodology by Statistics Canada. Data for the Travel Survey of Residents of Canada are no longer comparable with previous years. Figures using the new methodology were presented alongside new targets in the 2013-16 ministry business plan and *2013-16 Government of Alberta Strategic Plan*.

The 2011 result is an estimate using the previous methodology. The estimate for 2011 is based on travel statistics that provide an indication of demand, such as customs counts at Alberta's land based ports of entry and airports, and deplanements at Calgary and Edmonton international airports. Deplanement statistics provided by airports measure the number of passengers arriving on all flights at the airports. Also, deplanements include both domestic and international passengers where customs counts at the airport only measure the number of passengers clearing Canada Customs. For example, customs counts at Calgary and Edmonton international airports do not measure international travellers that clear customs elsewhere in Canada (e.g., Pearson International Airport or Vancouver International Airport) and then took a connecting flight to either Calgary or Edmonton.

Gate counts at Banff, Jasper, Waterton Lakes and Elk Island national parks are also used to provide additional information on demand. In addition, occupancy rate information collected by Smith Travel Research is used to determine the demand for fixed-roof lodging in the mountain parks, Edmonton and Calgary. Travel intention data produced by the Canadian Tourism Research Institute are also applied to estimate demand from Alberta's key domestic markets of British Columbia, Saskatchewan and Ontario. In addition to indicators of demand, estimates of the Travel Price Index are forecast to assist with tourism expenditure projections.

Visitor Information Centre Satisfaction Survey

(Measure: 1.c)

Data was obtained from the visitor information centre satisfaction survey conducted by the research firm, Ipsos Reid. The research firm conducted exit interviews at 10 provincial visitor information centres between July 25 and August 26, 2012. The centres include: Canmore, Field, Crowsnest Pass, West Glacier, Lloydminster, Oyen, Walsh, Milk River, Hinton and Grande Prairie. To ensure a variety of travellers were included, the interviews were spread across weekends and weekdays, during the peak visitor season. Respondents were asked to rate the service on a scale of 1 to 5, where 1 means very dissatisfied and 5 means very satisfied. In 2012, 1,465 onsite exit surveys were conducted. The margin of error is +/-2.6 per cent, 19 times out of 20.

Tourism, Parks and Recreation Survey of Albertans

(Measures: 2.a, 3.a)

The Tourism, Parks and Recreation Survey of Albertans is a province-wide telephone survey of 1,000 adult Albertans. Leger Marketing conducted this survey using a random sample stratified by age group, gender and geographic location to be representative of Alberta's population. Albertans were asked about their use of provincial parks; and if they had participated in recreational activities such as walking, bicycling, skiing, golfing, skating, swimming and amateur sports in the past year. Interviews were conducted from January 17 to February 3, 2013 by trained and experienced interviewers. The interviews were monitored in progress and at least 10.0 per cent of each interviewer's work was directly monitored. The response rate for the survey was 36.5 per cent and the margin of error is +/-3.1 per cent, 19 times out of 20.

How Are We Doing? Provincial Parks and Recreation Areas Camper Satisfaction Survey

(Measure: 2.b)

The camper satisfaction survey covers a representative cross-section of 105 provincial parks or recreation area campgrounds that are surveyed according to size (visitation), management method and geography. Only automobile accessible campgrounds where visitation is greater than 1,050 occupied campsite nights are included. Each year, the survey is conducted at approximately one quarter of these campgrounds on a four-year rotational basis. Although 22 campgrounds were identified to be surveyed in 2012-13, one campground was excluded due to unforeseen circumstances (i.e., insufficient resources). Overall results are determined through the combined response categories of very satisfied and satisfied, the top two categories of a five-point rating scale. The sample size was 2,376 with data collected from June 1 to September 3, 2012. The response rate for the survey was 39.4 per cent and the margin of error is +/-1.9 per cent, 19 times out of 20.

This measure was removed from the 2013-16 ministry business plan in order to explore better options for collecting information related to park users.

Canadian Community Health Survey

(Measure: 3.b)

The Canadian Community Health Survey used for monitoring the physical activity levels of youth is released by Statistics Canada in June. An online update of this measure will be posted when the information is available.

Readership Survey

Tourism, Parks and Recreation 2012-13 Annual Report

Thank you for reading the Tourism, Parks and Recreation 2012-13 Annual Report. We hope that you will take a few minutes to complete this readership survey. We are committed to continuous improvement and welcome your feedback and suggestions.

Instructions:

Please read each question carefully and circle the rating that best describes your response. If you require more space for your response, please use a separate piece of paper and identify the corresponding question clearly. If you have any questions, or require further clarification, contact Brad Babiak at 780-644-3272 or brad.babiak@gov.ab.ca.

If you would like to be contacted regarding your feedback, please provide your information below.

Name:

Organization:

Telephone Number:

Email:

1. Having read the Tourism, Parks and Recreation 2012-13 Annual Report, how would you rate it overall on the following characteristics? Using scale one to five, where ONE is STRONGLY DISAGREE, THREE is NEUTRAL, and FIVE is STRONGLY AGREE, do you agree that... *(Please circle only one rating number for each statement.)*

	strongly disagree		neutral		strongly agree
I learned something new about the ministry reading this report	1	2	3	4	5
This annual report is easy to read	1	2	3	4	5
This annual report was informative and useful to me	1	2	3	4	5
The report has an appealing format/look	1	2	3	4	5
I can easily find the information that I am looking for	1	2	3	4	5
I plan on using this annual report as a reference.....	1	2	3	4	5
Overall, this annual report meets my needs as a reader	1	2	3	4	5

2. What areas or features did you like the most about this annual report?

3. What areas or features would you recommend for further improvement?

Please tear out this survey and fax it to 780-427-0255 or mail it to Tourism, Parks and Recreation, Planning and Performance Measurement, 7th Floor, Standard Life Centre, 10405 Jasper Avenue, Edmonton, Alberta, Canada, T5J 4R7

