

ALBERTA WILDERNESS ASSOCIATION

FINANCIAL STATEMENTS

(Unaudited)

JULY 31, 2017



Roberts & Company

PROFESSIONAL ACCOUNTANTS LLP

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REVIEW ENGAGEMENT REPORT

To the Board of Directors of **ALBERTA WILDERNESS ASSOCIATION**

We have reviewed the statement of financial position of Alberta Wilderness Association as at July 31, 2017 and the statements of operations and changes in fund balances and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

CALGARY, ALBERTA
October 30, 2017

Roberts & Company

PROFESSIONAL ACCOUNTANTS LLP

ALBERTA WILDERNESS ASSOCIATION
STATEMENT OF FINANCIAL POSITION
(Unaudited)

AS AT JULY 31, 2017

	<u>2017</u> <u>Operating</u> <u>Fund</u>	<u>2017</u> <u>Restricted</u> <u>Funds</u>	<u>2017</u> <u>Total</u>	<u>2016</u> <u>Total</u>
ASSETS				
CURRENT				
Cash and cash equivalents (Note 2)	\$ 172,142	\$ 56,748	\$ 228,890	\$ 218,048
Term deposits (Note 3)	101,850	-	101,850	200,000
Marketable securities (Note 4)	138,668	-	138,668	43,972
Accounts receivable	1,100	-	1,100	1,176
Prepaid expenses	5,979	-	5,979	6,294
GST receivable	1,026	546	1,572	2,710
Donated items held for auction	1,906	-	1,906	7,220
	422,671	57,294	479,965	479,420
LAND AND BUILDING (Note 5)	670,572	-	670,572	675,453
	\$ 1,093,243	\$ 57,294	\$ 1,150,537	\$ 1,154,873
LIABILITIES				
CURRENT				
Accounts payable and accrued	\$ 10,076	\$ 6,056	\$ 16,132	\$ 14,708
Wages payable	27,953	-	27,953	7,895
Payroll remittances payable	7,691	-	7,691	10,200
Deferred income	-	-	-	200
	45,720	6,056	51,776	33,003
FUND BALANCES				
Unrestricted	1,047,523	-	1,047,523	1,121,291
Restricted	-	51,238	51,238	579
	1,047,523	51,238	1,098,761	1,121,870
	\$ 1,093,243	\$ 57,294	\$ 1,150,537	\$ 1,154,873

APPROVED ON BEHALF OF THE BOARD:



Director



Director

ALBERTA WILDERNESS ASSOCIATION
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
(Unaudited)

FOR THE YEAR ENDED JULY 31, 2017

	<u>2017</u> <u>Operating</u> <u>Fund</u>	<u>2017</u> <u>Restricted</u> <u>Funds</u>	<u>2017</u> <u>Total</u>	<u>2016</u> <u>Total</u>
REVENUES				
General donations	\$ 411,447	\$ -	\$ 411,447	\$ 452,627
Fundraising	48,576	-	48,576	115,619
Grants (Note 6)	74,990	-	74,990	36,123
Investment income	6,744	-	6,744	5,885
Membership revenue	1,975	-	1,975	2,582
Honorariums	750	-	750	2,425
Casino	-	70,645	70,645	-
Unrealized loss on marketable securities	(6,113)	-	(6,113)	(5,540)
	<u>538,369</u>	<u>70,645</u>	<u>609,014</u>	<u>609,721</u>
EXPENSES				
Wilderness stewardship and outreach	449,068	19,986	469,054	518,315
Development	74,852	-	74,852	72,474
General and administration	73,496	-	73,496	94,146
Amortization on building	14,721	-	14,721	15,263
	<u>612,137</u>	<u>19,986</u>	<u>632,123</u>	<u>700,198</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(73,768)	50,659	(23,109)	(90,477)
FUND BALANCES, beginning of year	1,121,291	579	1,121,870	1,212,347
FUND BALANCES, end of year	\$ 1,047,523	\$ 51,238	\$ 1,098,761	\$ 1,121,870

ALBERTA WILDERNESS ASSOCIATION
STATEMENT OF CASH FLOWS
(Unaudited)

FOR THE YEAR ENDED JULY 31, 2017

	<u>2017 Operating Fund</u>	<u>2017 Restricted Funds</u>	<u>2017 Total</u>	<u>2016 Total</u>
OPERATING ACTIVITIES				
Excess (deficiency) of revenue over expenses	\$ (73,768)	\$ 50,659	\$ (23,109)	\$ (90,477)
Adjustments for items not affecting cash				
Donated marketable securities	(8,142)	-	(8,142)	(25,734)
Gain on sale of marketable securities	22	-	22	(412)
Unrealized loss on marketable securities	6,113	-	6,113	5,540
Amortization of building	14,721	-	14,721	15,263
Working capital provided by operating activities	(61,054)	50,659	(10,395)	(95,820)
Change in non-cash operating working capital (Note 7)	19,962	5,856	25,818	20,948
Change in deferred income	(200)	-	(200)	(6,755)
Cash provided (used) by operations	(41,292)	56,515	15,223	(81,627)
INVESTING ACTIVITIES				
Proceeds on sale of marketable securities	8,120	-	8,120	26,189
Purchase of marketable securities	(100,810)	-	(100,810)	(1,054)
Purchase of term deposit	(101,850)	-	(101,850)	-
Redemption of term deposits	200,000	-	200,000	(100,000)
Purchase of building additions	(9,841)	-	(9,841)	(31,564)
	(4,381)	-	(4,381)	(106,429)
INCREASE (DECREASE) IN THE YEAR	(45,673)	56,515	10,842	(188,056)
CASH & CASH EQUIVALENTS, beginning of year	217,815	233	218,048	406,104
CASH & CASH EQUIVALENTS, end of year (Note 8)	\$ 172,142	\$ 56,748	\$ 228,890	\$ 218,048

ALBERTA WILDERNESS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

FOR THE YEAR ENDED JULY 31, 2017

NATURE OF OPERATIONS

Alberta Wilderness Association is a not-for-profit organization registered under The Societies Act of Alberta. The association is a registered charity under the Income Tax Act. The purpose of the organization is to promote and encourage the creation of additional wildland recreation areas in the Province of Alberta in an attempt to preserve their natural and present state. It also initiates and encourages educational efforts which promote an understanding and appreciation of wildland ethics and wildland resource uses. The organization has an office in Calgary, which houses the Alberta Wilderness Resource Centre, the province's most comprehensive archive of reference materials on wilderness and conservation in Alberta.

Alberta Wilderness Association achieves its mission through conservation, education, stewardship and advocacy, and is supported through volunteers, member and donor programs and fundraising that includes grants, campaign development, events like the Climb and Run for Wilderness, and a planned giving legacy program.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The organization's significant accounting policies are as follows:

a) **Marketable Securities**

Marketable securities are comprised of publicly traded securities and are accounted for at fair value using the latest closing price at the balance sheet date. Transaction costs and changes in fair value are recognized in income in the period incurred.

b) **Fund Accounting**

The organization follows the restricted fund method of accounting for contributions. The general fund accounts for the organization's operating and administrative activities including unrestricted contributions and grants. The restricted fund reports only restricted resources that are to be used for specific purposes.

c) **Revenue recognition**

Unrestricted contributions are recognized as revenue of the general fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions are recognized as revenue of the appropriate restricted fund when received.

d) **Contributed services**

Volunteer services contributed on behalf of the organization in carrying out its operating activities are not recognized in these financial statements due to the difficulty of determining their fair value.

e) **Land and building**

Land and building are recorded at cost. Amortization for the building is calculated using the straight line method at ten percent per year.

f) **Use of estimates**

The preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results may differ from estimates in these financial statements. Significant estimates include, but are not limited to, the estimated useful life of the building.

ALBERTA WILDERNESS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

FOR THE YEAR ENDED JULY 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Financial instruments

The organization initially records a financial instrument at its fair value.

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

Subsequently, the organization measures financial instruments as follows:

- investments in equity instruments that are quoted in an active market at fair value;
- all other financial assets, which include cash and cash equivalents, term deposits and accounts receivable, at amortized cost; and
- all financial liabilities, which include accounts payable and accrued, at amortized cost.

h) Tangible equipment

The organization expenses the cost of all equipment as it is purchased, as the amounts involved are not material. No tangible equipment was purchased during the year.

i) Comparative figures

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and balances with the bank.

Restricted cash consists of a balance with the bank of \$56,748 (2016 - \$233).

3. TERM DEPOSITS

Term deposits consist of the following guaranteed investment certificates with the banks:

	<u>2017</u>	<u>2016</u>
Canadian Western bank term deposit, bearing interest at 1.95% per annum, matures June 8, 2018	\$ 101,850	\$ 100,000
Bank of Montreal term deposit	<u>-</u>	<u>100,000</u>
	<u>\$ 101,850</u>	<u>\$ 200,000</u>

4. MARKETABLE SECURITIES

	<u>2017</u>	<u>2016</u>
Marketable securities (cost \$234,942)	<u>\$ 138,668</u>	<u>\$ 43,972</u>

Marketable securities are presented at fair values and consist of Canadian publicly traded securities, some of which have been donated by individual contributors.

ALBERTA WILDERNESS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

FOR THE YEAR ENDED JULY 31, 2017

5. LAND AND BUILDING

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2017</u>
Land	\$ 538,083	\$ -	\$ 538,083
Building	<u>175,926</u>	<u>43,437</u>	<u>132,489</u>
	<u>\$ 714,009</u>	<u>\$ 43,437</u>	<u>\$ 670,572</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2016</u>
Land	\$ 538,083	\$ -	\$ 538,083
Building	<u>166,085</u>	<u>28,715</u>	<u>137,370</u>
	<u>\$ 704,168</u>	<u>\$ 28,715</u>	<u>\$ 675,453</u>

6. GRANTS

The organization received grant funding from various sources in the amount of \$74,990 (2016 - \$36,123).

Included in the grant funding received during the year is funding from the Government of Alberta, Recreation and Physical Activity Division:

	<u>2017</u>	<u>2016</u>
Organizational Support Grant	\$ <u>8,060</u>	\$ <u>12,090</u>

7. CHANGE IN NON-CASH WORKING CAPITAL

	<u>2017</u>	<u>2016</u>
DECREASE (INCREASE) IN CURRENT ASSETS		
Accounts receivable	\$ 76	\$ (999)
Prepaid expenses	315	3,697
GST receivable	1,138	16,359
Donated items held for auction	5,314	(905)
INCREASE (DECREASE) IN CURRENT LIABILITIES		
Accounts payable and accrued	1,426	(6,002)
Wages payable	20,058	7,628
Payroll remittances payable	<u>(2,509)</u>	<u>1,170</u>
	<u>\$ 25,818</u>	<u>\$ 20,948</u>

ALBERTA WILDERNESS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

FOR THE YEAR ENDED JULY 31, 2017

8. CASH FLOW INFORMATION

Cash and cash equivalents consist of cash on hand and balances with the bank.

Restricted cash consists of a balance with the bank.

	<u>2017</u>	<u>2016</u>
Cash - operating	\$ 172,142	\$ 217,815
Cash - restricted	<u>56,748</u>	<u>233</u>
	<u>\$ 228,890</u>	<u>\$ 218,048</u>

9. ADDITIONAL INFORMATION TO COMPLY WITH THE DISCLOSURE REQUIREMENT OF THE CHARITABLE FUND-RAISING ACT AND REGULATION

No expenses were incurred for the purpose of soliciting contributions. There were no monies paid as remuneration to employees whose principal duties involve fund-raising and no such employees are employed by the organization.

10. FINANCIAL INSTRUMENTS - RISKS AND UNCERTAINTIES

The organization monitors, evaluates and manages the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include market risk.

Market risk

The organization is exposed to market risk as the organization holds marketable securities that are traded on a public stock exchange and as such is exposed to risk due to the activity on the stock exchange.