

**ALBERTA WILDERNESS ASSOCIATION**

**FINANCIAL STATEMENTS**

(Unaudited)

**JULY 31, 2021**



# Roberts & Company

CHARTERED PROFESSIONAL ACCOUNTANTS LLP

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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

We have reviewed the accompanying financial statements of Alberta Wilderness Association that comprise the statement of financial position as at July 31, 2021, and the statements of operations and changes in fund balances, and cash flows for the year then ended, as well as a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Practitioner's Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on the financial statements.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Alberta Wilderness Association as at July 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

CALGARY, ALBERTA  
October 22, 2021

*Roberts & Company*



CHARTERED PROFESSIONAL ACCOUNTANTS LLP

**ALBERTA WILDERNESS ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
(Unaudited)

**AS AT JULY 31, 2021**

	<u>2021</u> <u>Operating</u> <u>Fund</u>	<u>2021</u> <u>Restricted</u> <u>Funds</u>	<u>2021</u> <u>Total</u>	<u>2020</u> <u>Total</u>
<b>ASSETS</b>				
<b>CURRENT</b>				
Cash and cash equivalents (Note 2)	\$ 469,965	\$ 35,481	\$ 505,446	\$ 353,099
Term deposits (Note 3)	152,011	-	152,011	100,000
Marketable securities (Note 4)	154,507	-	154,507	112,867
Accounts receivable	-	-	-	1,740
Interest receivable	836	-	836	1,770
Canada emergency wage subsidy receivable	-	-	-	20,932
Prepaid expenses	4,910	2,240	7,150	8,075
GST receivable	3,347	266	3,613	1,474
Donated items held for auction	1,100	-	1,100	2,825
	786,676	37,987	824,663	602,782
<b>LAND AND BUILDING</b> (Note 5)	625,010	-	625,010	634,669
<b>INVESTMENT IN ART</b> , at cost	6,525	-	6,525	4,800
	\$ 1,418,211	\$ 37,987	\$ 1,456,198	\$ 1,242,251
<b>LIABILITIES</b>				
<b>CURRENT</b>				
Accounts payable and accrued	\$ 6,760	\$ -	\$ 6,760	\$ 18,299
Wages payable	86,143	-	86,143	73,293
Payroll remittances payable	16,496	-	16,496	9,644
	109,399	-	109,399	101,236
<b>SUBSEQUENT EVENT</b> (Note 11)				
<b>FUND BALANCES</b>				
Unrestricted	1,308,812	-	1,308,812	1,140,717
Restricted	-	37,987	37,987	298
	1,308,812	37,987	1,346,799	1,141,015
	\$ 1,418,211	\$ 37,987	\$ 1,456,198	\$ 1,242,251

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, 2021**

	<u>2021 Operating Fund</u>	<u>2021 Restricted Funds</u>	<u>2021 Total</u>	<u>2020 Total</u>
<b>REVENUES</b>				
General donations	\$ 527,035	\$ -	\$ 527,035	\$ 377,639
Canada emergency wage subsidy	110,505	-	110,505	99,727
Grants (Note 6)	102,311	-	102,311	104,466
Consulting income	15,858	-	15,858	20,270
Fundraising	10,734	-	10,734	39,971
Investment income	8,699	-	8,699	11,733
Membership revenue	3,287	-	3,287	2,213
Rental income	750	-	750	350
Wilderness conservation	-	-	-	50,000
Realized loss on sale of marketable securities	(201)	-	(201)	(149)
Unrealized gain (loss) on marketable securities	41,640	-	41,640	(16,726)
Casino	-	58,560	58,560	-
	<u>820,618</u>	<u>58,560</u>	<u>879,178</u>	<u>689,494</u>
<b>EXPENSES</b>				
Wilderness stewardship and outreach	451,254	18,416	469,670	458,365
Development	97,831	-	97,831	93,822
General and administration	93,779	2,455	96,234	85,234
Amortization on building	9,659	-	9,659	10,732
	<u>652,523</u>	<u>20,871</u>	<u>673,394</u>	<u>648,153</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	168,095	37,689	205,784	41,341
<b>FUND BALANCES, beginning of year</b>	1,140,717	298	1,141,015	1,099,674
<b>FUND BALANCES, end of year</b>	<u>\$ 1,308,812</u>	<u>\$ 37,987</u>	<u>\$ 1,346,799</u>	<u>\$ 1,141,015</u>

**ALBERTA WILDERNESS ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
(Unaudited)

**FOR THE YEAR ENDED JULY 31, 2021**

	<u>2021 Operating Fund</u>	<u>2021 Restricted Funds</u>	<u>2021 Total</u>	<u>2020 Total</u>
<b>OPERATING ACTIVITIES</b>				
Excess of revenue over expenses	\$ 168,095	\$ 37,689	\$ 205,784	\$ 41,341
Adjustments for items not affecting cash				
Donated marketable securities	(27,442)	-	(27,442)	(10,420)
Donated art collection	(1,725)	-	(1,725)	(1,300)
Realized loss on sale of marketable securities	201	-	201	149
Unrealized (gain) loss on marketable securities	(41,640)	-	(41,640)	16,726
Amortization of building	9,659	-	9,659	10,732
Working capital provided by operating activities	107,148	37,689	144,837	57,228
Change in non-cash operating working capital (Note 7)	35,686	(3,406)	32,280	22,441
Change in deferred income	-	-	-	(5,175)
Cash provided by operations	142,834	34,283	177,117	74,494
<b>INVESTING ACTIVITIES</b>				
Proceeds on sale of marketable securities	27,241	-	27,241	10,268
Purchase of term deposits	(152,011)	-	(152,011)	(100,000)
Redemption of term deposit	100,000	-	100,000	33,316
	(24,770)	-	(24,770)	(56,416)
<b>INCREASE IN THE YEAR</b>	118,064	34,283	152,347	18,078
<b>CASH &amp; CASH EQUIVALENTS, beginning of year</b>	351,901	1,198	353,099	335,021
<b>CASH &amp; CASH EQUIVALENTS, end of year (Note 8)</b>	\$ 469,965	\$ 35,481	\$ 505,446	\$ 353,099

**ALBERTA WILDERNESS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
(Unaudited)

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**FOR THE YEAR ENDED JULY 31, 2021**

**NATURE OF OPERATIONS**

Alberta Wilderness Association, ("the organization"), is a not-for-profit organization registered under The Societies Act of Alberta. The organization is a registered charity under the Income Tax Act and is exempt from income taxes under paragraph 149(1)(f). 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, events and a planned giving legacy program.

**1. SUMMARY OF 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.

Investment income is recorded on an accrual basis.

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 the 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, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

g) Financial instruments

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

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

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.

**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 \$35,481 (2020 - \$1,198).

**3. TERM DEPOSITS**

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

	<u>2021</u>	<u>2020</u>
Canadian Imperial Bank of Commerce term deposit, bearing interest at 0.60% per annum, matures September 14, 2021	\$ 102,011	\$ -
Equitable Bank term deposit, bearing interest at 0.96% per annum, matures December 14, 2021	50,000	-
Canadian Imperial Bank of Commerce term deposit, matured	<u>-</u>	<u>100,000</u>
	<u>\$ 152,011</u>	<u>\$ 100,000</u>

**4. MARKETABLE SECURITIES**

	<u>2021</u>	<u>2020</u>
Marketable securities (cost at \$124,320, 2020 - \$124,320)	<u>\$ 154,507</u>	<u>\$ 112,867</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, 2021**

**5. LAND AND BUILDING**

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2021</u>
Land	\$ 538,083	\$ -	\$ 538,083
Building	<u>175,926</u>	<u>88,999</u>	<u>86,927</u>
	<u>\$ 714,009</u>	<u>\$ 88,999</u>	<u>\$ 625,010</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2020</u>
Land	\$ 538,083	\$ -	\$ 538,083
Building	<u>175,926</u>	<u>79,340</u>	<u>96,586</u>
	<u>\$ 714,009</u>	<u>\$ 79,340</u>	<u>\$ 634,669</u>

**6. GRANTS**

The organization received grant funding from various sources in the amount of \$102,311 (2020 - \$104,466).

Included in the grant funding received during the year is funding from the Government of Alberta, Sport, Physical Activity and Recreation Branch, an Organization Grant of \$16,455 and a Covid Relief Fund Grant of \$2,500.

	<u>2021</u>	<u>2020</u>
Organization Operating Grant	\$ 16,455	\$ 10,224
Covid Relief Grant	<u>2,500</u>	<u>-</u>
	<u>\$ 18,955</u>	<u>\$ 10,224</u>

**7. CHANGE IN NON-CASH WORKING CAPITAL**

	<u>2021</u>	<u>2020</u>
DECREASE (INCREASE) IN CURRENT ASSETS		
Accounts receivable	\$ 1,740	\$ 10,104
Interest receivable	934	(1,770)
Canadian emergency wage subsidy receivable	20,932	(20,932)
Prepaid expenses	925	(423)
GST receivable	(2,139)	343
Donated items held for auction	1,725	6,949
INCREASE (DECREASE) IN CURRENT LIABILITIES		
Accounts payable and accrued	(11,539)	8,669
Wages payable	12,850	19,689
Payroll remittances payable	<u>6,852</u>	<u>(188)</u>
	<u>\$ 32,280</u>	<u>\$ 22,441</u>



**ALBERTA WILDERNESS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
(Unaudited)

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**FOR THE YEAR ENDED JULY 31, 2021**

**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>2021</u>	<u>2020</u>
Cash - operating	\$ 469,965	\$ 351,901
Cash - restricted	<u>35,481</u>	<u>1,198</u>
	<u>\$ 505,446</u>	<u>\$ 353,099</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.

**11. SUBSEQUENT EVENT**

The spread of COVID-19 continues to severely impact many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic downturn.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the organization for future periods