

**Wildsight**  
**Financial Statements**  
For the year ended September 30, 2015

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## Independent Auditors' Report

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### To the Members Wildsight

We have audited the accompanying financial statements of Wildsight, which comprise the statement of financial position as at September 30, 2015, and the statements of revenue and expenditures, changes in net assets, 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 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.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of 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 auditors' 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 evaluation of the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Basis of Qualified Opinion

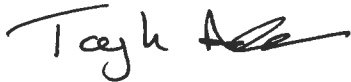
In common with many non-profit organizations, the Society derives revenue from private donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Society and we are not able to determine whether any adjustments might be necessary to donation revenues, surplus, and assets.

**Qualified Opinion**

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the donations and fundraising referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of Wildsight as at September 30, 2015, and the results of its operations, changes in net assets, and cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

**Report on Other Legal Reporting Requirements**

As required by the Society Act (British Columbia), we report that, in our opinion, the accounting principles in Canadian Accounting Standards for Not-for-Profit Organizations have been applied on a basis consistent with that of the preceding year.

A handwritten signature in black ink, appearing to read "Taylor" followed by a stylized flourish.**Chartered Professional Accountants**

Cranbrook, BC  
February 12, 2016

## Wildsight Statement of Financial Position

September 30	2015	2014
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 383,671	\$ 420,818
Grants receivable (Note 2)	7,270	23,235
Accounts receivable	29,565	10,886
GST receivable	10,986	13,450
Prepaid expenses	-	753
	431,492	469,142
<b>Long-term investments</b>	<b>187,406</b>	<b>183,632</b>
(Cost - 2015 - \$185,618, 2014 - \$175,190)		
<b>Tangible capital assets (Note 3)</b>	<b>833</b>	<b>1,123</b>
	<b>\$ 619,731</b>	<b>\$ 653,897</b>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 123,657	\$ 136,552
Deferred contributions (Note 2)	300,029	312,212
	423,686	448,764
<b>Net assets</b>		
Invested in tangible capital assets	833	1,123
Unrestricted	-	204,010
Board designated operating reserve	195,212	-
	196,045	205,133
	<b>\$ 619,731</b>	<b>\$ 653,897</b>

**Comparative Figures (Note 5)**  
**Related Party Transactions (Note 6)**

**Financial Instruments (Note 7)**

On behalf of the Board: \_\_\_\_\_ Director

\_\_\_\_\_ Director

## Wildsight Statement of Revenue and Expenditure

For the year ended September 30	2015	2014
<b>Revenue</b>		
Grants (Note 2)	\$ 830,161	\$ 924,395
Donations	73,782	79,695
Miscellaneous and special events	34,974	33,045
Membership dues	5,680	3,880
	<u>944,597</u>	<u>1,041,015</u>
<b>Expenditure</b>		
Accounting and legal	12,300	11,275
Advertising	2,575	3,318
Amortization	290	478
Bank charges	2,910	2,508
Branch expenses	49,576	73,718
Communications and fundraising	15,949	43,303
Contract services, wages and benefits	672,106	697,398
Event expenses	26,949	11,649
Insurance	6,955	5,255
Memberships and subscriptions	7,555	7,020
Meeting expenses	8,886	6,445
Newsletter and information packages	5,987	10,680
Office and miscellaneous	4,935	5,276
Office rental	7,727	6,096
Political activity	8,360	5,999
Program expenses	32,562	37,601
School bus rental	17,704	13,425
Telephone and internet	11,269	11,208
Training and conferences	1,398	11,310
Travel and meals	66,880	71,224
	<u>962,873</u>	<u>1,035,186</u>
<b>Excess (deficiency) of revenue over expenditure from operations</b>	<b>(18,276)</b>	<b>5,829</b>
<b>Other income</b>		
Net investment income (Note 4)	9,188	24,695
<b>Excess (deficiency) of revenue over expenditure for the year</b>	<b>\$ (9,088)</b>	<b>\$ 30,524</b>

The accompanying notes are an integral part of these financial statements.

## Wildsight Statement of Changes in Net Assets

For the year ended September 30				2015			2014
	Invested in Tangible Capital Assets	Unrestricted	Board Designated Operating Reserve	Total		Total	
<b>Net assets</b> , beginning of year	\$ 1,123	\$ 204,010	\$ -	\$ 205,133			\$ 174,610
Excess (deficiency) of revenue over expenditure for the year	(290)	(8,798)	-	(9,088)			30,524
Transfer to board designated operating reserve	-	(195,212)	195,212	-		-	
<b>Net assets</b> , end of year	<b>\$ 833</b>	<b>\$ -</b>	<b>\$ 195,212</b>	<b>\$ 196,045</b>			<b>\$ 205,134</b>

The accompanying notes are an integral part of these financial statements.

**Wildsight  
Statement of Cash Flows**

<b>For the year ended September 30</b>	<b>2015</b>	<b>2014</b>
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Cash received from funders and donors	\$ 932,164	\$ 1,089,388
Cash paid to suppliers and employees	(974,725)	(1,104,608)
Interest received	5,414	4,863
<b>Decrease in cash for the year</b>	<b>(37,147)</b>	<b>(10,357)</b>
<b>Cash, beginning of year</b>	<b>420,818</b>	<b>431,175</b>
<b>Cash, end of year</b>	<b>\$ 383,671</b>	<b>\$ 420,818</b>

The accompanying notes are an integral part of these financial statements.

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# Wildsight Notes to Financial Statements

September 30, 2015

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## 1. Significant Accounting Policies

### a) Basis of Accounting

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

### b) Nature of Business

The Society is incorporated under the laws of British Columbia. Its primary purpose is to promote the maintenance of a healthy, livable environment for all life. The Society is a registered charity under the Income Tax Act.

### c) Financial Instruments

#### *Measurement of financial instruments*

The Society initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at either fair value or amortized cost.

Financial assets measured at fair value include cash, grants receivable, GST receivable, accounts receivable and long-term investments.

Financial liabilities measured at amortized cost include accounts payable.

#### *Impairment*

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

### d) Long-term Investments

Long-term investments are comprised of mutual funds and shares of public companies and are recorded at fair value.

### e) Tangible Capital Assets

Equipment is recorded at cost. Amortization, based on the estimated useful life of the asset, is provided annually on the straight-line basis as follows:

Computer equipment	-	5 years
Office equipment	-	10 years
Display equipment	-	10 years



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**Wildsight**  
**Notes to Financial Statements**

**September 30, 2015**

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**1. Significant Accounting Policies (continued)**

**f) Impairment of Long-lived Assets**

The Society assesses long-lived assets for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized on a long-lived asset to be held and used when its carrying value exceeds the total undiscounted cash flows expected from its use and disposal. The amount of the loss is determined by deducting the assets fair value from its carrying amount.

**g) Contributed Services**

Volunteers contribute many hours each year to assist the Society. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

**h) Foreign Currency Transactions**

The Society receives grants from funders and pays for contract services in the USA. The Society uses the temporal method to translate its foreign currency transactions. These grants are translated at the rate of exchange at the date the Society receives the funding.

**i) Revenue Recognition**

The Society follows the deferral method of accounting for contributions. Under this method, restricted contributions related to expenses in future periods are deferred and recognized as revenue in the period in which the related expenses are incurred.

Net investment income (loss) includes dividend and interest income, and realized and unrealized gains and losses on long-term investments.

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

Restricted contributions related to the purchase of equipment are deferred and recognized as revenue as the equipment is amortized.

Revenues from special events are recognized at the time of the event.

Membership revenue is recognized as the fees are received.

**September 30, 2015**

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**1. Significant Accounting Policies (continued)**

**j) Board Designated Operating Reserve**

The board designated operating reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The reserve may also be used for one time, nonrecurring expenses that will build long-term capacity, such as staff development, research and development and investment in infrastructure.

The board designated operating reserve will be funded with surplus unrestricted operating funds. The Board of Directors may from time to time direct that a specific source of revenue be set aside for the board designated operating reserve.

**k) Use of Estimates**

The preparation of financial statements, in accordance with Canadian Accounting Standards for Not-for-Profit Organizations, requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they became known. Significant estimates for the Society include the calculation of allowance for doubtful accounts, the estimated useful life of equipment, and calculation of deferred contributions.

# Wildsight Notes to Financial Statements

September 30, 2015

## 2. Grant Revenue and Deferred Contributions

	Deferred Contributions Sep 30, 2014	Grants Receivable Sep 30, 2014	Grants received in the year	Grants Receivable Sep 30, 2015	Deferred Contributions Sep 30, 2015	Revenue recognized in the year
<b>Government:</b>						
BC Gaming Commission	\$ -	\$ -	\$ 24,090	\$ -	\$ -	\$ 24,090
Eco Action	-	-	40,000	-	-	40,000
Eco Canada	-	-	9,908	-	-	9,908
Government of Canada	-	5,449	5,449	-	-	-
Regional District of Central Kootenay	-	-	27,700	-	-	27,700
Regional District of East Kootenay	-	-	4,050	-	-	4,050
	-	5,449	111,197	-	-	105,748
<b>Other:</b>						
444s Foundation	-	-	40,369	-	20,185	20,184
Alberta Eco Trust	-	-	9,000	-	3,500	5,500
Alberta Real Estate Foundation	-	7,500	15,000	-	-	7,500
Art Twomey Memorial *	12,302	-	-	-	12,302	-
BC Hydro	-	-	18,332	-	-	18,332
Columbia Basin Trust	145,365	7,786	178,286	-	49,983	265,882
Columbia Power Corp.	2,250	-	1,000	-	900	2,350
CPAWS Alberta	-	-	11,250	-	-	11,250
Edmonton Community Foundation	-	-	10,000	-	-	10,000
Fortis BC	5,000	2,500	21,500	-	-	24,000
Habitat Conservation Trust Fund	-	-	5,000	-	-	5,000
Hamber Foundation	1,500	-	1,000	-	800	1,700
Land Stewardship Centre of Canada	-	-	16,875	2,500	2,500	16,875
LeRoi Community Foundation	-	-	2,000	-	1,600	400
LaSalle Adams Fund	5,295	-	-	-	-	5,295
LUSH	-	-	16,500	-	-	16,500
McLean Foundation	-	-	15,000	-	4,446	10,554
Mountain Equipment Co-Op	-	-	27,350	-	-	27,350
North Face Explore Fund	2,000	-	-	-	-	2,000
Osprey Community Foundation	-	-	800	-	640	160
RBC Foundation	-	-	10,000	-	1,500	8,500
Real Estate Foundation of BC	-	-	45,000	-	35,000	10,000
Small Change Fund	-	-	5,459	-	-	5,459
TD Friends of Environment	2,000	-	12,200	-	2,000	12,200
Teck Coal	9,000	-	-	-	6,000	3,000
The Brainerd Foundation	70,000	-	75,246	-	56,435	88,811
Tides Canada Foundation	-	-	20,916	-	7,923	12,993
University of Montana	-	-	11,470	4,770	14,766	1,474
W.C. Kitchen Family Foundation	-	-	10,000	-	7,000	3,000
Wilburforce Foundation	57,500	-	109,498	-	72,549	94,449
WWF Canada	-	-	21,600	-	-	21,600
Yellowstone to Yukon Conservation Initiative	-	-	12,095	-	-	12,095
	<b>\$ 312,212</b>	<b>\$ 23,235</b>	<b>\$ 833,943</b>	<b>\$ 7,270</b>	<b>\$ 300,029</b>	<b>\$ 830,161</b>

Deferred contributions related to the unspent portion of the above grants are restricted for specific purposes under each individual agreement.

\* The Society receives donations designated for an Art Twomey Memorial Fund. The funds will be used in future years for campaigns and projects determined by the family.

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**Wildsight**  
**Notes to Financial Statements**

**September 30, 2015**

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**3. Tangible Capital Assets**

	2015		2014	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Office equipment	\$ 3,416	\$ 2,658	\$ 3,416	\$ 2,445
Display equipment	767	692	767	615
Computer equipment	944	944	944	944
	<b>5,127</b>	<b>4,294</b>	5,127	4,004
		<b>\$ 833</b>		<b>\$ 1,123</b>

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**4. Net Investment Income**

Net investment income is comprised of the following:

	2015	2014
Unrealized gain (loss) on investments	\$ (6,654)	\$ 12,457
Interest	4,806	4,311
Mutual fund income	11,036	10,880
Realized loss on sale of investments	-	(2,953)
	<b>\$ 9,188</b>	<b>\$ 24,695</b>

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**5. Comparative Figures**

Certain of the comparative figures for 2014 have been restated to conform with the financial statement presentation adopted in the current year.

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# Wildsight Notes to Financial Statements

September 30, 2015

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## 6. Related Party Transactions

Five branch societies are currently authorized by the Society, namely Invermere, Kimberley/Cranbrook, Golden, Creston and Elk Valley branches. Each branch society may nominate a member as a candidate to stand for election to the board (Regional Council) of Wildsight in accordance with the Society's bylaws. The Society requires that each branch society has an autonomous board of directors, is incorporated as a separate society, and controls its own finances. Each branch is involved in its own environmental activities to promote the purposes of the Society, subject to the direction of the Regional Council.

During the year, the Society contracted the five branch societies, under agency agreements, totaling \$44,663 (2014 - \$70,923). The accounts receivable include \$2,561 (2014 - \$3,189) from the branch societies. The accounts payable include \$27,638 (2014 - \$25,772) to the branch societies.

During the year, the Society was billed \$12,377 (2014 - \$9,533) by a director for contracted services related to program delivery. Of the amount, \$11,466 (2014 - \$6,945) was paid during the year and \$911 (2014 - \$2,588) was included in accounts payable.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

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## 7. Financial Instruments

### *Risks and Concentrations*

The Society is exposed to various risks through its financial instruments. The following analysis provides a measure of the Society's risk exposure and concentrations at September 30, 2015.

### *Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Society's main credit risks relate to its long-term investments. The Society's long-term investments are comprised of investments in public markets. Management mitigates risk by limiting exposure to any one investment.

### *Market Risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other risk. The Society is mainly exposed to currency risk and other risk.

### *Currency Risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Society is exposed to financial risk on its grants received in a currency other than the Canadian dollar as a result of exchange rate fluctuations.

### *Other Risk*

The Society's long-term investments in mutual funds and public company shares expose the Society to price risks; as equity based long-term investments are subject to price change in an open market.