

**Wildsight**  
**Financial Statements**  
For the year ended September 30, 2014

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## Independent Auditors' Report

### To the Members Wildsight

We have audited the accompanying financial statements of Wildsight, which comprise the statement of financial position as at September 30, 2014, and the statements of revenue and expenditures, and 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, 2014, 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.



Chartered Accountants

Cranbrook, BC

March 9, 2015

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**Wildsight  
Statement of Financial Position**

September 30	2014	2013
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 420,818	\$ 431,175
Grants receivable (Note 2)	23,235	55,621
Accounts receivable	10,886	6,820
GST/HST receivable	13,450	23,348
Prepaid expenses	753	753
	<u>469,142</u>	<u>517,717</u>
<b>Long-term investments</b>	<b>183,632</b>	<b>163,800</b>
(Cost - 2014 - \$175,190, 2013 - \$167,815)		
<b>Tangible capital assets (Note 3)</b>	<u>1,123</u>	<u>1,601</u>
	<b>\$ 653,897</b>	<b>\$ 683,118</b>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 4)	\$ 136,552	\$ 206,451
Deferred contributions (Note 2)	312,212	302,057
	<u>448,764</u>	<u>508,508</u>
<b>Net assets</b>		
Invested in tangible capital assets	1,123	1,601
Unrestricted	<u>204,010</u>	<u>173,009</u>
	<u>205,133</u>	<u>174,610</u>
	<b>\$ 653,897</b>	<b>\$ 683,118</b>

**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	2014	2013
<b>Revenue</b>		
Grants (Note 2)	\$ 924,395	\$ 888,005
Donations	79,695	61,380
Miscellaneous and special events	33,045	23,683
Membership dues	3,880	5,140
	<u>1,041,015</u>	<u>978,208</u>
<b>Expenditure</b>		
Accounting and legal	11,275	12,000
Administration services	3,360	4,700
Advertising	24,138	27,038
Amortization	478	479
Bank charges	2,508	2,733
Communications and fundraising	19,251	9,914
Contract services, wages and benefits	767,756	744,148
Event expenses	16,382	41,913
Insurance	5,255	5,117
Memberships and subscriptions	7,020	11,825
Newsletter and information packages	10,680	11,230
Office and miscellaneous	52,246	24,210
Office rental	6,096	7,186
Political activity	5,999	2,390
School bus rental	13,425	16,773
Technical and training assistance	11,310	7,129
Telephone	11,208	12,687
Travel, meals and conferences	66,800	60,971
	<u>1,035,187</u>	<u>1,002,443</u>
<b>Excess (deficiency) of revenue over expenditure from operations</b>	<b>5,828</b>	<b>(24,235)</b>
<b>Other income (expense)</b>		
Net investment income (loss) (Note 5)	24,695	(731)
<b>Excess (deficiency) of revenue over expenditure for the year</b>	<b>\$ 30,523</b>	<b>\$ (24,966)</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**

**2014**

**2013**

	<b>Invested in Tangible Capital Assets</b>	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
<b>Net assets, beginning of year</b>	<b>\$ 1,601</b>	<b>\$ 173,009</b>	<b>\$ 174,610</b>	<b>\$ 199,576</b>
Excess (deficiency) of revenue over expenditure for the year	<b>(478)</b>	<b>31,001</b>	<b>30,523</b>	<b>(24,966)</b>
<b>Net assets, end of year</b>	<b>\$ 1,123</b>	<b>\$ 204,010</b>	<b>\$ 205,133</b>	<b>\$ 174,610</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>2014</b>	<b>2013</b>
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Cash received from funders and donors	\$ 1,089,388	\$ 964,397
Cash paid to suppliers and employees	(1,104,608)	(909,389)
Interest received	4,863	4,391
<b>Increase (decrease) in cash for the year</b>	<b>(10,357)</b>	<b>59,399</b>
<b>Cash, beginning of year</b>	<b>431,175</b>	<b>371,776</b>
<b>Cash, end of year</b>	<b>\$ 420,818</b>	<b>\$ 431,175</b>

**September 30, 2014**

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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/HST 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

**September 30, 2014**

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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.

**j) 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 revenue.



# Wildsight Notes to Financial Statements

September 30, 2014

## 2. Grant Revenue and Deferred Contributions

	Deferred Sep 30, 2013	Receivables Sep 30, 2013	Grants received in the year	Receivables Sep 30, 2014	Deferred Sep 30, 2014	Revenue recognized in the year
<b>Government:</b>						
BC Gaming Commission	\$ -	\$ -	\$ 22,500	\$ -	\$ -	\$ 22,500
Government of Canada	7,872	5,625	20,625	5,449	-	28,321
Regional District of Central Kootenay	-	-	20,000	-	-	20,000
	7,872	5,625	63,125	5,449	-	70,821
<b>Other:</b>						
444s Foundation	40,980	-	-	-	-	40,980
Alberta Eco Trust	5,000	-	7,000	-	-	12,000
Alberta Real Estate Foundation	-	-	-	7,500	-	7,500
Art Twomey Memorial *	22,302	-	-	-	12,302	10,000
BC Hydro	5,000	-	4,800	-	-	9,800
Columbia Basin Trust	45,000	-	413,860	7,786	145,365	321,281
Columbia Power Corp.	2,250	-	2,500	-	2,250	2,500
Edmonton Community Foundation	-	-	20,000	-	-	20,000
Fortis BC	2,500	-	18,500	2,500	5,000	18,500
Hamber Foundation	-	-	1,500	-	1,500	-
Land Stewardship Centre of Canada	-	-	5,625	-	-	5,625
LaSalle Adams Fund	7,653	-	21,180	-	5,295	23,538
LUSH	10,000	10,000	10,000	-	-	10,000
McLean Foundation	-	-	10,000	-	-	10,000
Mountain Equipment Co-Op	-	-	16,500	-	-	16,500
North Face Explore Fund	2,000	-	-	-	2,000	-
Osprey Community Foundation	-	-	600	-	-	600
RBC Foundation	50,000	-	-	-	-	50,000
Real Estate Foundation of BC	8,000	22,000	54,300	-	-	40,300
Sierra Club	-	5,538	5,538	-	-	-
Sitka Foundation	-	-	10,000	-	-	10,000
Small Change Fund	-	-	2,500	-	-	2,500
TD Friends of Environment	3,000	-	12,240	-	2,000	13,240
Teck Coal	12,500	-	6,500	-	9,000	10,000
The Brainerd Foundation	35,000	-	134,076	-	70,000	99,076
Tides Canada Foundation	-	-	13,532	-	-	13,532
Vancouver Foundation	14,000	-	-	-	-	14,000
Walter & Duncan Gordon Foundation	9,000	9,000	10,000	-	-	10,000
Waste Management Charitable Foundation	1,000	-	-	-	-	1,000
Wilburforce Foundation	19,000	-	92,777	-	57,500	54,277
WWF Canada	-	-	9,900	-	-	9,900
Yellowstone to Yukon Conservation Initiative	-	3,458	20,383	-	-	16,925
	<b>\$ 302,057</b>	<b>\$ 55,621</b>	<b>\$ 966,936</b>	<b>\$ 23,235</b>	<b>\$ 312,212</b>	<b>\$ 924,395</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.

**Wildsight  
Notes to Financial Statements**

**September 30, 2014**

**3. Tangible Capital Assets**

	2014		2013	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Office equipment	\$ 3,416	\$ 2,445	\$ 3,416	\$ 2,232
Display equipment	767	615	767	538
Computer equipment	944	944	944	756
	<b>5,127</b>	<b>4,004</b>	<b>5,127</b>	<b>3,526</b>
		<b>\$ 1,123</b>		<b>\$ 1,601</b>

**4. Accounts Payable and Accrued Liabilities**

Included in accounts payable and accrued liabilities are government remittances payable of \$8,018 (2013 - \$5,886).

**5. Net Investment Income (Loss)**

Net investment income (loss) is comprised of the following:

	2014	2013
Unrealized gain (loss) on investments	\$ 12,457	\$ (6,481)
Interest	4,311	3,896
Mutual fund income	10,880	1,854
Realized loss on sale of investments	(2,953)	-
	<b>\$ 24,695</b>	<b>\$ (731)</b>

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## Wildsight Notes to Financial Statements

September 30, 2014

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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 \$70,923 (2013 - \$59,573). The accounts receivable include \$3,189 (2013 - \$4,157) from the branch societies. The accounts payable include \$25,772 (2013 - \$33,186) to the branch societies.

During the year, the Society was billed \$9,533 (2013 - \$3,209) by a director for contracted services related to program delivery. Of the amount, \$6,945 (2013 - \$240) was paid during the year and \$2,588 (2013 - \$2,969) 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, 2014.

#### *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 price 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.