

**Wildsight**  
**Financial Statements**  
For the year ended September 30, 2013

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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, 2013, September 30, 2012 and October 1, 2011 and the statements of revenue and expenditures, and changes in net assets and cash flows for the years ended September 30, 2013 and September 30, 2012.

### 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 Private Enterprises, 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.

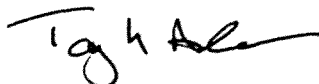
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or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

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 referred to in the preceding paragraph, the financial statements of Wildsight for the years ended September 30, 2013, September 30, 2012 and October 1, 2011 are prepared, in all material respects, in accordance with Canadian Accounting Standards for Private Enterprises.



Chartered Accountants

Cranbrook, BC

February 28, 2014

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**Wildsight  
Statement of Financial Position**

September 30	2013	2012	October 1, 2012
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**Assets**

**Current**

Cash	\$ 431,175	\$ 371,776	\$ 381,065
Grants Receivable (Note 3)	55,621	11,367	2,200
Accounts receivable	6,820	10,266	-
GST/HST receivable	23,348	30,932	25,536
Prepaid expenses	753	4,064	-
	517,717	428,405	408,801

**Long-term investments**

(Cost - 2013 - \$167,815, 2012 - \$166,453,  
October 1, 2012 - \$164,490)

**Tangible capital assets (Note 4)**

	163,800	168,919	162,556
	1,601	2,080	4,187
	\$ 683,118	\$ 599,404	\$ 575,544

**Liabilities and Net Assets**

**Current**

Accounts payable and accrued liabilities (Note 5)	\$ 206,449	\$ 117,182	\$ 140,199
Deferred contributions (Note 3)	302,057	282,644	258,390
	508,506	399,826	398,589

**Net assets**

Invested in tangible capital assets	1,601	2,080	4,187
Unrestricted	173,011	197,498	172,768
	174,612	199,578	176,955
	\$ 683,118	\$ 599,404	\$ 575,544

**Related Party Transactions (Note 7)**

**Financial Instruments (Note 8)**

On behalf of the Board:

\_\_\_\_\_

Director

\_\_\_\_\_

Director

## Wildsight Statement of Revenue and Expenditure

For the year ended September 30	2013	2012
<b>Revenue</b>		
Grants (Note 3)	\$ 888,005	\$ 837,432
Donations	61,380	74,620
Miscellaneous and special events	23,683	42,239
Membership dues	5,140	6,776
	<u>978,208</u>	<u>961,067</u>
<b>Expenditure</b>		
Accounting and legal	12,000	17,339
Administration services	4,700	2,593
Advertising	27,038	10,277
Amortization	479	479
Bank charges	2,733	1,648
Communications and fundraising	9,914	13,634
Contract services, wages and benefits	744,148	693,191
Event expenses	41,913	34,734
Insurance	5,117	8,664
Memberships and subscriptions	11,825	3,784
Newsletter and information packages	11,230	16,298
Office and miscellaneous	24,210	31,216
Office rental	7,186	9,205
Political activity	2,390	-
School bus rental	16,773	10,425
Technical and training assistance	7,129	19,326
Telephone	12,687	15,438
Travel, meals and conferences	60,971	60,514
	<u>1,002,443</u>	<u>948,765</u>
<b>Excess (deficiency) of revenue over expenditure from operations</b>	<b>(24,235)</b>	<b>12,302</b>
<b>Other income (expense)</b>		
Net investment income (loss) (Note 6)	(731)	11,948
Loss on disposal of tangible capital assets	-	(1,628)
<b>Excess (deficiency) of revenue over expenditure for the year</b>	<b>\$ (24,966)</b>	<b>\$ 22,622</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**

**2013**

**2012**

	<b>Invested in Tangible Capital Assets</b>	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
<b>Net assets</b> , beginning of year	\$ 2,080	\$ 197,498	\$ 199,578	\$ 176,955
Excess (deficiency) of revenue over expenditure for the year	<u>(479)</u>	<u>(24,487)</u>	<u>(24,966)</u>	<u>22,622</u>
<b>Net assets</b> , end of year	<b>\$ 1,601</b>	<b>\$ 173,011</b>	<b>\$ 174,612</b>	<b>\$ 199,577</b>

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

## Wildsight Statement of Cash Flows

For the year ended September 30	2013	2012
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Cash received from funders and donors	\$ 964,397	\$ 945,305
Cash paid to suppliers and employees	(909,389)	(975,364)
Interest received	4,391	4,873
	<u>59,399</u>	<u>(25,186)</u>
<b>Investing activities</b>		
Proceeds from sale of long-term investments	<u>-</u>	<u>15,897</u>
<b>Increase (decrease) in cash for the year</b>	<b>59,399</b>	<b>(9,289)</b>
<b>Cash, beginning of year</b>	<u><b>371,776</b></u>	<u><b>381,065</b></u>
<b>Cash, end of year</b>	<u><b>\$ 431,175</b></u>	<u><b>\$ 371,776</b></u>

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

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# Wildsight Notes to Financial Statements

September 30, 2013

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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 receivables 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, 2013

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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.

Revenue 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 and the estimated useful life of equipment.



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# Wildsight Notes to Financial Statements

September 30, 2013

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## 2. Adoption of Accounting Standards for Not-for-Profit Organizations

Effective October 1, 2012, the Society adopted the requirements of the Canadian Institute of Chartered Accountants (CICA) Handbook - Accounting, electing to adopt the new accounting framework: Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO). These are the Society's first financial statements prepared in accordance with ASNPO which has been applied retrospectively. The accounting policies set out in the significant accounting policies note have been applied in preparing the financial statements for the year ended September 30, 2013, the comparative information for the year ended September 30, 2012 and in the preparation of an opening ASNPO balance sheet at October 1, 2012.

The Society issued financial statements for the year ended September 30, 2012 using generally accepted accounting principles prescribed by CICA Handbook - Accounting XFI. The adoption of ASNPO had no impact on the previously reported assets, liabilities and net assets of the Society, and accordingly, results in no adjustments recorded in the comparative statements of financial position, revenue and expenditure, changes in net assets and cash flows. Certain of the Society's disclosures included in these financial statements reflect the new disclosure requirements of ASNPO.

# Wildsight Notes to Financial Statements

September 30, 2013

### 3. Grant Revenue and Deferred Contributions

	Deferred Sep 30, 2012	Receivables Sep 30, 2012	Grants received in the year	Receivables Sep 30, 2013	Deferred Sep 30, 2013	Revenue recognized in the year
<b>Government:</b>						
BC Gaming Commission	\$ 4,615	\$ -	\$ 22,500	\$ -	\$ -	\$ 27,115
Government of Canada	21,529	-	39,004	5,625	7,872	58,286
Regional District of Central Kootenay	-	-	23,237	-	-	23,237
	<b>26,144</b>	<b>-</b>	<b>84,741</b>	<b>5,625</b>	<b>7,872</b>	<b>108,638</b>
<b>Other:</b>						
444s Foundation	21,376	-	40,980	-	40,980	21,376
Alberta Eco Trust	-	-	10,000	-	5,000	5,000
Art Twomey Memorial *	22,302	-	-	-	22,302	-
BC Hydro	-	-	23,200	-	5,000	18,200
The Brainerd Foundation	25,628	-	121,788	-	35,000	112,416
Columbia Basin Trust	81,789	-	169,370	-	45,000	206,159
Columbia Power Corp.	1,600	-	2,250	-	2,250	1,600
Creston Kootenay Foundation	-	-	600	-	-	600
Ducks Unlimited Canada	-	-	6,250	-	-	6,250
Edmonton Community Foundation	-	-	10,000	-	-	10,000
Fortis BC	-	2,500	25,000	-	2,500	20,000
LaSalle Adams Fund	8,995	-	30,612	-	7,653	31,954
LUSH	-	-	-	10,000	10,000	-
McLean Foundation	-	-	9,830	-	-	9,830
Mountain Equipment Co-Op	-	-	17,500	-	-	17,500
North Face Explore Fund	-	-	2,000	-	2,000	-
Osprey Community Foundation	-	-	1,300	-	-	1,300
RBC Foundation	7,819	-	50,000	-	50,000	7,819
Real Estate Foundation of BC	-	7,200	21,500	22,000	8,000	28,300
Shell Environmental Fund	56,924	-	-	-	-	56,924
Sierra Club of BC	-	-	1,962	5,538	-	7,500
Small Change Fund	-	-	4,807	-	-	4,807
TD Friends of Environment	-	-	16,500	-	3,000	13,500
Teck Coal	-	-	17,500	-	12,500	5,000
Tides Canada Foundation	-	-	34,717	-	-	34,717
Vancouver Foundation	21,850	-	31,500	-	14,000	39,350
Walter & Duncan Gordon Foundation	-	-	10,000	9,000	9,000	10,000
Waste Management Charitable Foundation	-	-	1,000	-	1,000	-
Wilburforce Foundation	8,217	-	100,049	-	19,000	89,266
Yellowstone to Yukon Conservation Initiative	-	1,667	18,208	3,458	-	19,999
	<b>\$ 282,644</b>	<b>\$ 11,367</b>	<b>\$ 863,164</b>	<b>\$ 55,621</b>	<b>\$ 302,057</b>	<b>\$ 888,005</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, 2013**

**4. Tangible Capital Assets**

	2013		2012	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 944	\$ 756	\$ 944	\$ 567
Office equipment	3,416	2,232	3,416	2,019
Display equipment	767	538	767	461
	<b>5,127</b>	<b>3,526</b>	<b>5,127</b>	<b>3,047</b>
		<b>\$ 1,601</b>		<b>\$ 2,080</b>

**5. Accounts Payable and Accrued Liabilities**

Included in accounts payable and accrued liabilities are government remittances payable of \$5,886 (2012 - \$3,972).

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

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

	2013	2012
Unrealized gain (loss) on investments	\$ (6,481)	\$ 4,400
Interest	3,896	4,358
Mutual fund income	1,854	2,478
Realized gain on sale of investments	-	712
	<b>\$ (731)</b>	<b>\$ 11,948</b>

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# Wildsight Notes to Financial Statements

September 30, 2013

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## 7. 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 \$59,573 (2012 - \$46,413). The accounts receivable include \$4,157 (2012 - \$337) from the branch societies. The accounts payable include \$33,186 (2012 - \$15,532) to the branch societies.

During the year, the Society was billed \$3,209 (2012 - \$2,288) by a director for contracted services related to program delivery. Of the amount, \$240 was paid during the year and \$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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## 8. 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, 2013.

### *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.