

Wildsight
Financial Statements
For the year ended September 30, 2017

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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, 2017, 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

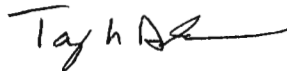
In common with many non-profit organizations, the Society derives revenue from private donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the 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, 2017, 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 23, 2018

**Wildsight
Statement of Financial Position**

September 30	2017	2016
Assets		
Current		
Cash	\$ 571,579	\$ 533,606
Grants receivable (Note 2)	46,514	109,776
Accounts receivable	3,253	3,932
GST receivable	14,947	13,563
Prepaid expenses	-	1,000
	636,293	661,877
Long-term investments	208,857	198,926
(Cost - 2017 - \$188,622, 2016 - \$183,692)		
Tangible capital assets (Note 3)	2,458	545
	\$ 847,608	\$ 861,348


Liabilities and Net Assets

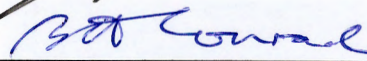
Current		
Accounts payable and accrued liabilities (Note 4)	\$ 125,535	\$ 140,351
Deferred contributions (Note 2)	415,898	476,166
	541,433	616,517
Net assets		
Invested in tangible capital assets	2,458	545
Board designated operating reserve	303,717	244,286
	306,175	244,831
	\$ 847,608	\$ 861,348

**Comparative Figures (Note 7)
Financial Instruments (Note 9)**

Related Party Transactions (Note 8)

On behalf of the Board:





Director

Director

Wildsight Statement of Revenue and Expenditure

For the year ended September 30	2017	2016
Revenue		
Grants (Note 2)	\$ 1,125,628	\$ 1,021,904
Donations	94,846	151,137
Miscellaneous and special events	38,480	55,776
Membership dues	2,560	4,650
	1,261,514	1,233,467
Expenditure		
Accounting and legal	22,425	13,866
Advertising	4,198	3,561
Amortization	818	288
Bank charges	4,308	3,963
Branch expenses	29,607	70,982
Communications and fundraising	12,453	14,846
Contract services, wages and benefits	926,115	860,462
Event expenses	13,000	17,274
Insurance	5,257	4,783
Meeting expenses	13,671	8,902
Memberships and subscriptions	6,717	13,733
Newsletter and information packages	7,595	14,031
Office and miscellaneous	10,192	7,901
Office rental	10,800	7,907
Political activity	3,980	4,141
Program expenses	41,529	38,418
School bus rental	16,781	17,937
Telephone and internet	10,642	11,084
Training and conferences	641	949
Travel and meals	70,553	86,716
	1,211,282	1,201,744
Excess of revenue over expenditure from operations	50,232	31,723
Other income		
Net investment income (Note 5)	16,112	17,063
Excess of revenue over expenditure for the year	\$ 66,344	\$ 48,786

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

Wildsight Statement of Changes in Net Assets

For the year ended September 30

2017

2016

	Invested in Tangible Capital Assets	Unrestricted	Board Designated Operating Reserve	Total	Total
Net assets , beginning of year	\$ 545	\$ -	\$ 244,286	\$ 244,831	\$ 196,045
Excess (deficiency) of revenue over expenditure for the year	(818)	67,162	-	66,344	48,786
Transfer to board designated operating reserve	-	(67,162)	67,162	-	-
Capital asset purchases in year	2,731	-	(2,731)	-	-
Transfer to Living Lakes Canada (Note 6)	-	-	(5,000)	(5,000)	-
Net assets , end of year	\$ 2,458	\$ -	\$ 303,717	\$ 306,175	\$ 244,831

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

Wildsight Statement of Cash Flows

For the year ended September 30	2017	2016
Cash provided by (used in)		
Operating activities		
Cash received from funders and donors	\$ 1,263,803	\$ 1,330,154
Cash paid to suppliers and employees	(1,229,281)	(1,185,762)
Interest received	6,182	5,543
	40,704	149,935
Investing activities		
Purchase of equipment	(2,731)	-
Increase in cash for the year	37,973	149,935
Cash, beginning of year	533,606	383,671
Cash, end of year	\$ 571,579	\$ 533,606

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

Wildsight Notes to Financial Statements

September 30, 2017

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

September 30, 2017

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 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.

Wildsight Notes to Financial Statements

September 30, 2017

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, 2017

2. Grant Revenue and Deferred Contributions

	Deferred Contributions Sep 30, 2016	Grants Receivable Sep 30, 2016	Grants received in the year	Grants Receivable Sep 30, 2017	Deferred Contributions Sep 30, 2017	Revenue recognized in the year
Government:						
BC Gaming Commission	\$ -	\$ -	\$ 36,500	\$ -	\$ -	\$ 36,500
Columbia Shuswap Regional District	-	-	10,400	-	-	10,400
Eco Action	-	-	20,000	-	-	20,000
Government of Canada	-	-	30,990	7,260	14,995	23,255
Regional District of Central Kootenay	-	-	22,000	-	-	22,000
	-	-	119,890	7,260	14,995	112,155
Other:						
444s Foundation	30,000	-	46,126	-	31,127	44,999
Alberta Conservation Association	-	-	3,330	6,670	-	10,000
Alberta Eco Trust	-	-	12,500	-	-	12,500
Alberta Real Estate Foundation	-	-	10,000	10,000	-	20,000
Art Twomey Memorial *	12,302	-	-	-	12,302	-
BC Hydro	-	-	46,378	13,584	-	59,962
Calgary Foundation	-	-	5,000	-	-	5,000
Canadian Environmental Grantmakers Network	-	-	5,000	-	-	5,000
Columbia Basin Trust	172,266	101,328	472,500	5,000	175,152	373,286
Columbia Power Corp.	2,500	-	2,500	-	-	5,000
Columbia Valley Community Foundation	-	-	1,000	-	-	1,000
Edmonton Community Foundation	-	-	10,000	-	-	10,000
Environmental Careers Organization of Canada (Eco Canada)	-	-	15,000	-	-	15,000
Fiera Consulting	-	-	500	-	-	500
Fortis Alberta	-	-	1,000	-	-	1,000
Fortis BC	-	8,448	15,448	-	-	7,000
LeRoi Community Foundation	400	-	-	-	-	400
LUSH	38,000	-	-	-	-	38,000
Mountain Equipment Co-Op	-	-	13,455	-	-	13,455
Osprey Community Foundation	500	-	800	-	-	1,300
Patagonia	-	-	8,513	-	-	8,513
RBC Foundation	-	-	10,000	-	-	10,000
Real Estate Foundation of BC	-	-	45,000	4,000	-	49,000
Sitka Foundation	-	-	38,665	-	-	38,665
TD Friends of Environment	-	-	1,500	-	-	1,500
Teck Coal	-	-	13,298	-	-	13,298
The Brainerd Foundation	79,098	-	89,522	-	64,457	104,163
Tides Canada Foundation	7,400	-	-	-	-	7,400
Tides US Foundation	22,393	-	26,145	-	19,218	29,320
University of Montana	3,000	-	-	-	-	3,000
Wilburforce Foundation	108,307	-	113,552	-	98,647	123,212
Yellowstone to Yukon Conservation Initiative	-	-	2,000	-	-	2,000
	\$ 476,166	\$ 109,776	\$ 1,128,622	\$ 46,514	\$ 415,898	\$ 1,125,628

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, 2017

3. Tangible Capital Assets

	2017		2016	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Office equipment	\$ 6,147	\$ 3,689	\$ 3,416	\$ 2,871
Display equipment	767	767	767	767
Computer equipment	944	944	944	944
	7,858	5,400	5,127	4,582
		\$ 2,458		\$ 545

4. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$5,432 (2016 - nil).

5. Net Investment Income

Net investment income is comprised of the following:

	2017	2016
Mutual fund income	\$ 5,611	\$ 1,136
Interest	5,501	4,903
Unrealized gain on investments	5,000	13,446
Realized loss on sale of investments	-	(2,422)
	\$ 16,112	\$ 17,063

6. Living Lakes Canada

The Living Lakes program that has been previously administered by the Society will now be run by Living Lakes Canada, a new incorporated Society with an autonomous board of directors. During the year, \$5,000 of previously accumulated surplus from the Living Lakes program was transferred to Living Lakes Canada. Any additional costs will be recorded at the time they occur.

Wildsight Notes to Financial Statements

September 30, 2017

7. Comparative Figures

Certain of the comparative figures for 2016 have been restated to conform with the financial statement presentation adopted in the current year.

8. 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 \$29,607 (2016 - \$53,687). The accounts receivable include \$3,236 (2016 - \$3,295) from the branch societies. The accounts payable include \$39,535 (2016 - \$41,455) to the branch societies.

During the year, the Society paid \$734 (2015 - \$15,239) to a director for contracted services related to program delivery.

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.

September 30, 2017

9. 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, 2017.

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.