

**WILDSIGHT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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INDEPENDENT AUDITORS' REPORT

**To the Members:
Wildsight**

Qualified Opinion

We have audited the accompanying financial statements of Wildsight, which comprise the statement of financial position as at September 30, 2020, and the statements of revenue and expenditure, changes in net assets and cash flows for the year then ended, and the summary of significant accounting policies and other explanatory information.

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 contributions described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Wildsight as at September 30, 2020, and the results of its revenue and expenditure, changes in net assets and cash flows for the year ended September 30, 2020, in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Basis for 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.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal Reporting Requirements

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

Apex Accounting

Chartered Professional Accountants

Cranbrook, BC
March 9, 2021

**WILDSIGHT
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020**

	2020	2019
ASSETS		
Current		
Cash	\$ 768,165	\$ 346,685
Grants receivable (Note 2)	29,636	71,710
Accounts receivable	4,398	3,595
GST receivable	9,102	9,324
Prepaid expenses	6,407	8,497
	<u>817,708</u>	439,811
Long-term investments (Note 3)	322,392	308,654
Tangible capital assets (Note 4)	2,223	2,579
	<u>\$ 1,142,323</u>	<u>\$ 751,044</u>

LIABILITIES AND NET ASSETS

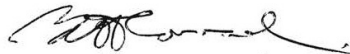
Current		
Accounts payable and accrued liabilities	\$ 103,841	\$ 94,521
Deferred contributions (Note 2)	650,336	278,370
	<u>754,177</u>	372,891

NET ASSETS

Invested in tangible capital assets	2,223	2,579
Board designated operating reserve	385,923	375,574
	<u>388,146</u>	378,153
	<u>\$ 1,142,323</u>	<u>\$ 751,044</u>

See accompanying notes to the financial statements

On behalf of the Board:



Director



Director

WILDSIGHT
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	2020	2019
REVENUE		
Grants (Note 2)	\$ 785,995	\$ 962,864
Donations	137,315	109,077
Miscellaneous and special events	23,291	61,881
Wage subsidy	6,042	-
Membership dues	1,885	2,540
	<u>954,528</u>	<u>1,136,362</u>
EXPENDITURE		
Accounting and legal	12,866	12,000
Advertising	1,753	2,977
Amortization	356	356
Bank charges	3,985	3,976
Branch expenses	67,749	65,216
Communications and fundraising	6,933	10,845
Contract services, wages and benefits	737,826	815,510
Event expenses	16,382	40,927
Insurance	6,177	5,477
Meeting expenses	462	9,413
Memberships and subscriptions	9,233	8,323
Newsletter and information packages	2,833	5,030
Office and miscellaneous	12,906	22,817
Office rental	11,160	10,962
Program expenses	20,477	49,948
School bus rental	5,890	18,302
Telephone and internet	8,221	7,624
Training and conferences	2,520	7,156
Travel and meals	25,942	60,326
	<u>953,671</u>	<u>1,157,185</u>
Excess (deficiency) of revenue over expenditure from operations	857	(20,823)
OTHER INCOME		
Net investment income (Note 5)	19,136	21,885
EXCESS OF REVENUE OVER EXPENDITURE FOR THE YEAR	\$ 19,993	\$ 1,062

See accompanying notes to the financial statements

WILDSIGHT
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED SEPTEMBER 30, 2020

	2020			2019	
	Invested in Tangible Capital Assets	Unrestricted	Board Designated Operating Reserve	Total	Total
NET ASSETS , beginning of year	\$ 2,579	\$ -	\$ 375,574	\$ 378,153	\$ 377,091
Excess (deficiency) of revenue over expenditure for the year	(356)	20,349	-	19,993	1,062
Transfer to board designated operating reserve	-	(20,349)	20,349	-	-
Transfer to Creston branch (Note 6)	-	-	(10,000)	(10,000)	-
NET ASSETS , end of year	\$ 2,223	\$ -	\$ 385,923	\$ 388,146	\$ 378,153

See accompanying notes to the financial statements

**WILDSIGHT
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2020**

	2020	2019
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Cash received from funders and donors	\$ 1,367,987	\$ 849,604
Cash paid to suppliers and employees	(951,905)	(1,218,815)
Interest received	5,398	6,674
	<u>421,480</u>	<u>(362,537)</u>
INVESTING ACTIVITIES		
Purchase of investments	<u>-</u>	<u>(74,500)</u>
INCREASE (DECREASE) IN CASH FOR THE YEAR	421,480	(437,037)
CASH, beginning of year	<u>346,685</u>	<u>783,722</u>
CASH, end of year	<u>\$ 768,165</u>	<u>\$ 346,685</u>

See accompanying notes to the financial statements

WILDSIGHT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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, bonds and shares of public companies and are recorded at fair market 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

WILDSIGHT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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.

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, 2020

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, non-recurring 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 deferred contributions.

WILDSIGHT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

2. GRANT REVENUE AND DEFERRED CONTRIBUTIONS

	Deferred Contributions Sep 30, 2019	Grants Receivable Sep 30, 2019	Grants received in the year	Grants Receivable Sep 30, 2020	Deferred Contributions Sep 30, 2020	Revenue recognized in the year
Government:						
BC Gaming Commission	\$ -	\$ -	\$ 53,000	\$ -	\$ -	\$ 53,000
Columbia Shuswap Regional District	-	-	12,620	-	-	12,620
Government of Canada	15,000	7,848	7,848	-	-	15,000
Province of BC	-	-	10,000	3,293	7,984	5,309
Regional District of Central Kootenay	-	-	21,500	-	-	21,500
Regional District of Fraser-Fort George	-	-	6,800	-	-	6,800
Regional District of Kootenay Boundary	-	-	800	-	-	800
	15,000	7,848	112,568	3,293	7,984	115,029
Other:						
444s Foundation	-	-	46,627	-	23,314	23,313
Ambler Mountain Works	-	-	5,000	-	-	5,000
Art Twomey Memorial *	13,190	-	-	-	13,190	-
BC Hydro	7,158	1,250	3,250	20,343	-	29,501
Brainerd Foundation	-	-	69,535	-	34,768	34,767
College of the Rockies	-	-	3,002	-	-	3,002
Columbia Basin Trust	9,732	58,112	658,000	6,000	334,640	280,980
Columbia Power	-	-	2,000	-	-	2,000
Columbia Valley Community Foundation	-	-	2,500	-	-	2,500
Consecon Foundation	-	-	30,000	-	27,814	2,186
Cranbrook & District Community Foundation	-	-	535	-	-	535
Edmonton Community Foundation	-	-	10,000	-	-	10,000
Golden & District Foundation	-	-	2,000	-	-	2,000
Kootenay Savings Credit Union	-	-	2,500	-	-	2,500
RBC Foundation	18,608	-	-	-	18,608	-
Real Estate Foundation of BC	-	4,500	18,000	-	13,500	-
Teck	-	-	7,500	-	-	7,500
The Hamber Foundation	-	-	1,000	-	-	1,000
Tides US Foundation	5,000	-	26,644	-	13,322	18,322
Vancouver Foundation	-	-	50,000	-	13,000	37,000
Western Mining Action Network	-	-	3,804	-	-	3,804
Wilburforce Foundation	209,682	-	139,070	-	150,196	198,556
Yellowstone to Yukon Conservation Initiative	-	-	6,500	-	-	6,500
	\$ 278,370	\$ 71,710	\$ 1,200,035	\$ 29,636	\$ 650,336	\$ 785,995

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 the 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
YEAR ENDED SEPTEMBER 30, 2020

3. LONG-TERM INVESTMENTS

	<u>2020</u>	<u>2019</u>
Mutual funds, at fair market value (Cost - 2020 - \$227,897, 2019 - \$241,230)	\$ 258,327	\$ 242,660
Bonds, at cost	45,367	44,500
Shares, at fair market value (Cost - 2020 - \$5,970, 2019 - \$5,970)	<u>18,698</u>	<u>21,494</u>
	<u>\$ 322,392</u>	<u>\$ 308,654</u>

4. TANGIBLE CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2020</u>	<u>Net 2019</u>
Office equipment	\$ 5,921	\$ 3,698	\$ 2,223	\$ 2,579
Display equipment	767	767	-	-
Computer equipment	944	944	-	-
	<u>\$ 7,632</u>	<u>\$ 5,409</u>	<u>\$ 2,223</u>	<u>\$ 2,579</u>

5. NET INVESTMENT INCOME

Net investment income is comprised of the following:

	<u>2020</u>	<u>2019</u>
Unrealized gain (loss) on investments	\$ 26,204	\$ (8,939)
Mutual fund income	11,399	10,621
Interest	5,413	5,767
Realized gain on sale of investments	-	14,436
Return of capital adjustment during the year	<u>(23,880)</u>	<u>-</u>
	<u>\$ 19,136</u>	<u>\$ 21,885</u>

WILDSIGHT

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2020

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 \$62,438 (2019 - \$36,274). The accounts receivable include \$4,368 (2019 - \$3,565) from the branch societies for reimbursement of expenses. The accounts payable include \$35,905 (2019 - \$20,493) to the branch societies. Provided financial support to the Creston branch totaling \$10,000 (2019 - nil) from the board designated operating reserve.

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.

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, 2020.

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.

WILDSIGHT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2020

8. REMUNERATION OF EMPLOYEES AND CONTRACTORS

For the fiscal year ending September 30, 2020, the Society did not pay remuneration of \$75,000 or greater to any employees or contractors.

9. COMMITMENT

The Society has leased a building with an expiry date of December 31, 2021. Rental payments required on the commitment for the next two years are due as follows:

<u>Year</u>	<u>Amount</u>
2021	\$ 11,690
2022	2,937
	<hr/>
	\$ 14,627