

**WILDSIGHT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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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, 2023, and the statements of revenue and expenditure, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at September 30, 2023, the results of its revenue and expenditure, changes in net assets, and cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Society derives revenues from private donations and various fundraising events, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to contributions, excess of receipts over disbursements, current assets and net assets.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' 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 the 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 the 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 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.

Auditors' 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 auditors' 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 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 of 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 auditors' 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 the auditors' 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 and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting policies 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.

**Chartered Professional Accountants**Cranbrook, BC
March 1, 2024

WILDSIGHT
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2023

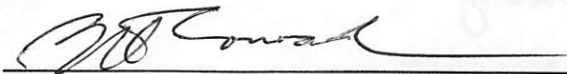
	2023	2022
ASSETS		
Current		
Cash	\$ 914,722	\$ 874,527
Short-term investments (Note 3)	200,000	36,482
Grants receivable (Note 2)	148,527	82,535
Accounts receivable	38,965	16,518
GST receivable	12,017	10,699
Prepaid expenses	9,856	7,379
Due from related society (Note 8)	66,500	66,500
	1,390,587	1,094,640
Long-term investments (Note 4)	279,926	239,684
Tangible capital assets (Note 5)	1,156	1,512
	\$ 1,671,669	\$ 1,335,836
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities (Note 6)	\$ 178,244	\$ 173,686
Deferred contributions (Note 2)	693,651	530,275
	871,895	703,961
NET ASSETS		
Invested in tangible capital assets	1,156	1,512
Board designated operating reserve	798,618	630,363
	799,774	631,875
	\$ 1,671,669	\$ 1,335,836

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, 2023

	2023	2022
REVENUE		
Grants (Note 2)	\$ 1,592,310	\$ 1,564,372
Donations	255,349	312,640
Fees for service	143,853	109,572
Miscellaneous and special events	50,775	80,986
Membership dues	2,540	1,700
	<u>2,044,827</u>	<u>2,069,270</u>
EXPENDITURES		
Accounting and legal	21,963	13,800
Advertising	2,393	6,038
Amortization	356	356
Bank charges	5,669	5,262
Branch expenses	77,903	38,759
Communications and fundraising	1,035	9,403
Contract services	512,375	552,684
Event expenses	53,790	64,888
Insurance	12,474	10,135
Meeting expenses	32,672	2,505
Memberships and subscriptions	10,860	10,917
Newsletter and information packages	3,177	1,963
Office and miscellaneous	27,864	13,486
Office rental	18,660	14,448
Program expenses	146,817	185,593
School bus rental	8,467	11,222
Telephone and internet	2,644	3,272
Training and conferences	1,013	907
Travel and meals	68,707	93,285
Wages and employee benefits	902,617	869,577
	<u>1,911,456</u>	<u>1,908,500</u>
Excess of revenue over expenditure from operations	133,371	160,770
OTHER INCOME		
Net investment income (loss) (Note 7)	<u>34,528</u>	<u>(48,783)</u>
EXCESS OF REVENUE OVER EXPENDITURE FOR THE YEAR	\$ 167,899	\$ 111,987

See accompanying notes to the financial statements

WILDSIGHT
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

				2023			2022
	Invested in Tangible Capital Assets	Unrestricted	Board Designated Operating Reserve	Total			Total
NET ASSETS, beginning of year	\$ 1,512	\$ -	\$ 630,363	\$ 631,875	\$		519,032
Excess (deficiency) of revenue over expenditure for the year	(356)	168,255	-	167,899			111,989
Transfer to board designated operating reserve	-	(168,255)	168,255	-			-
Transfer from Golden branch	-	-	-	-			854
NET ASSETS, end of year	\$ 1,156	\$ -	\$ 798,618	\$ 799,774	\$		631,875

See accompanying notes to the financial statements

WILDSIGHT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 133,371	\$ 160,770
Amortization	356	356
Decrease (increase) in accounts receivable	(89,758)	33,660
Increase in prepaid expenses	(2,478)	(972)
Increase (decrease) in accounts payable	4,558	(23,947)
Increase (decrease) in deferred revenues	163,377	(188,725)
	<u>209,426</u>	<u>(18,858)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds on investments	36,483	10,192
Purchase of investments	(215,084)	-
(Increase) in loans receivable	-	(66,500)
Interest received	9,370	3,676
	<u>(169,231)</u>	<u>(52,632)</u>
INCREASE (DECREASE) IN CASH FOR THE YEAR	40,195	(71,490)
CASH, beginning of year	874,527	946,017
CASH, end of year	\$ 914,722	\$ 874,527

See accompanying notes to the financial statements

WILDSIGHT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

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 amortized cost except for long-term assets in mutual funds which are quoted at active market and are measured at fair value. Changes in fair value are recognized in excess of revenue over expenditure.

Financial assets measured at fair value include cash, short-term investments, grants receivable, accounts receivable, GST receivable, due from related society and long-term investments.

Financial liabilities measured at amortized cost include accounts payable and repayable grants.

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) CASH

Cash includes bank balances.

e) SHORT-TERM INVESTMENTS

Certain of the Society's short-term investments are comprised of bonds and GIC's which are measured initially at fair value and subsequently measured at amortized cost.

f) LONG-TERM INVESTMENTS

The Society's long-term investments comprise of mutual funds and are recorded at fair market value.

WILDSIGHT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) 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:

Office equipment - 10 years

h) 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.

i) 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.

j) 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.

k) 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 and fees for service 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.

Donations and membership revenue are recognized as they are received.

WILDSIGHT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

l) 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.

m) 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 accounts receivable and the calculation of deferred contributions.

WILDSIGHT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

2. GRANT REVENUE AND DEFERRED CONTRIBUTIONS

	Grants Receivable Sep 30, 2022	Deferred Contributions and Repayable Grants Sep 30, 2022	Grants received in the year	Grants and Repayable Receivable Sep 30, 2023	Deferred Contributions and Repayable Grants Sep 30, 2023	Revenue recognized in the year
Government:						
BC Gaming Commission	\$ -	\$ -	\$ 47,000	\$ -	\$ -	\$ 47,000
Columbia Shuswap Regional District	12,620	-	24,760	-	-	12,140
Environment and Climate Change Canada	-	-	60,021	-	23,000	37,021
Province of BC	-	20,000	-	50,000	20,000	50,000
Regional District of Central Kootenay	-	-	22,640	25,590	-	48,230
	12,620	20,000	154,421	75,590	43,000	194,391
Other:						
444s Foundation	-	43,031	49,998	-	20,000	73,029
Arjay R. and Frances F. Miller Foundation	-	30,000	38,737	-	-	68,737
Art Twomey Memorial *	-	8,190	-	-	8,190	-
BC Conservation & Biodiversity Awards	-	-	15,000	-	-	15,000
BC Hydro	-	-	5,000	-	-	5,000
Bowman Employment Services	-	-	-	1,800	-	1,800
Catherine Donnely Foundation	-	-	27,000	3,000	-	30,000
Columbia Basin Trust	25,000	240,500	249,411	33,000	229,540	268,371
Columbia Power	-	-	2,500	-	-	2,500
Community Foundations Kootenay Rockies	-	-	4,231	-	3,003	1,228
Consecon Foundation	-	30,000	37,000	-	37,000	30,000
Edmonton Community Foundation	-	-	10,000	-	-	10,000
Environmental Careers Organization of Canada (Eco Canada)	-	-	22,055	34,275	-	56,330
Fortis BC	42,064	-	67,064	-	10,000	15,000
Golden and District Community Foundation	-	-	2,588	862	-	3,450
Habitat Conservation	-	-	7,200	-	7,200	-
Houssain Foundation	-	-	79,982	-	42,000	37,982
Kimberley & District Community Foundation	-	-	67,127	-	32,130	34,997
Kootenay Career Development Society	-	-	12,471	-	-	12,471
Kootenay Employment Services	-	-	18,101	-	-	18,101
LeRol Foundation	-	-	1,500	-	-	1,500
Liz Clairborne and Art Otenberg Foundation	-	-	134,193	-	53,677	80,516
Make Way Foundation	-	-	87,384	-	13,692	73,692
National Parks Conservation	-	-	45,131	-	45,131	-
Nature Canada	-	-	3,445	-	-	3,445
Nature Conservancy of Canada	-	10,000	-	-	-	10,000
RBC Foundation	-	-	25,000	-	-	25,000
Real Estate Foundation of BC	2,851	-	34,351	-	-	31,500
Resorts of the Canadian Rockies	-	-	1,000	-	-	1,000
Sitka Foundation	-	-	70,000	-	20,000	50,000
Small Change Fund	-	-	30,000	-	-	30,000
TD Friends of the Environment	-	-	5,000	-	2,500	2,500
Teck	-	-	2,500	-	-	2,500
The Hamber Foundation	-	-	1,500	-	1,500	-
The Patagonia Environmental Grants Fund of Tides Foundation	-	12,623	-	-	-	12,623
Thomas & Norwell Forestry Consulting	-	15,000	5,000	-	-	20,000
Vancouver Foundation	-	-	135,152	-	-	135,152
Wilburforce Foundation	-	120,931	236,652	-	125,088	232,495
Wildlife Habitat Canada	-	-	2,000	-	-	2,000
	\$ 82,535	\$ 530,275	\$ 1,689,694	\$ 148,527	\$ 693,651	\$ 1,592,310

Deferred contributions related to the unspent portion of the above grants are restricted for specific purposes under each individual agreement and includes repayable grants of nil (2022 - nil), deferred contributions net of repayable grants total \$693,651 (2022 - \$530,275).

* 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
SEPTEMBER 30, 2023

3. SHORT-TERM INVESTMENTS

	<u>2023</u>	<u>2022</u>
GIC's	\$ 100,000	\$ 36,482
Term bonds	100,000	-
	<u>\$ 200,000</u>	<u>\$ 36,482</u>

4. LONG-TERM INVESTMENTS

	<u>2023</u>	<u>2022</u>
Mutual funds, at fair market value (Cost: 2023 - \$249,713; 2022 - \$247,766)	\$ 264,842	\$ 239,684
Shares, at fair market value (Cost - 2023 - \$15,084; 2022 - nil)	15,084	-
	<u>\$ 279,926</u>	<u>\$ 239,684</u>

5. TANGIBLE CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2023</u>	<u>Net 2022</u>
Office equipment	\$ 7,633	\$ 6,477	\$ 1,156	\$ 1,512

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are government remittances payable of \$23,584 (2022 - \$15,878).

WILDSIGHT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

7. NET INVESTMENT INCOME

Net investment income is comprised of the following:

	<u>2023</u>	<u>2022</u>
Unrealized gain (loss) on investments	\$ 18,696	\$ (56,977)
Mutual fund income	6,462	7,593
Interest	9,370	3,248
Return of capital adjustment during the year	-	(2,647)
	<u>\$ 34,528</u>	<u>\$ (48,783)</u>

8. RELATED PARTY TRANSACTIONS

Six branch societies are currently authorized by the Society, namely Invermere, Kimberley/Cranbrook, Golden, Creston, Revelstoke 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.

Due from related society:

	<u>2023</u>	<u>2022</u>
Wildsight Elk Valley		
4% loan receivable, secured by container farm, payable in full on September 30, 2024 including interest calculated yearly not in advance, beginning on September 30, 2024	<u>\$ 66,500</u>	<u>\$ 66,500</u>

During the year, the Society contracted the six branch societies, under either agency agreements, or grant agreements totaling \$77,903 (2022 - \$38,759) and received fees for service totaling \$74,551 (2022 - \$85,653). The accounts receivable include \$12,073 (2022 - \$7,634) from the branch societies for reimbursement of expenses. The accounts payable include \$41,279 (2022 - \$39,265) to the branch societies. Received financial support from the Golden branch totaling \$nil (2022 - \$854) to 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.

WILDSIGHT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

9. REMUNERATION OF EMPLOYEES AND CONTRACTORS

For the year ended September 30, 2023, the Society paid total remuneration of \$83,341 (2022 - nil) to the top 10 employees and contractors for services of which there was only one, who received total annual remuneration of \$75,000 or greater.

No remuneration was paid to any members of the Board of Directors.

10. COMMITMENT

The Society has leased a building with an expiry date of January 31, 2025. Rental payments required on the commitment until the end of the agreement are due as follows:

<u>Year</u>	<u>Amount</u>
2024	\$ 15,619
2025	5,207
	<u>\$ 20,826</u>

11. COMPARATIVE FIGURES

Certain of the comparative figures for 2022 have been restated to conform with the financial statement presentation adopted in the current year.

WILDSIGHT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

12. 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, 2023.

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 expose the Society to price risks; as equity based long-term investments are subject to price change in an open market.