

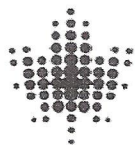
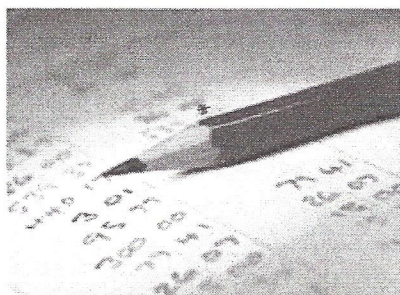
# SYLVAIN & COMPANY

## MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

### Financial Statements

Year Ended March 31, 2017

*(Unaudited)*



**CPA**

CHARTERED  
PROFESSIONAL  
ACCOUNTANTS

**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY**

**Index to Financial Statements**

**Year Ended March 31, 2017**

*(Unaudited)*

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# SYLVAIN & COMPANY

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## REVIEW ENGAGEMENT REPORT

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To the Members of MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

We have reviewed the statement of financial position of MIGHTY PEACE WATERSHED ALLIANCE SOCIETY as at March 31, 2017 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the society.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

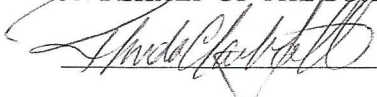
Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Falher, AB  
May 11, 2017

  
CHARTERED PROFESSIONAL ACCOUNTANTS

**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY****Statement of Financial Position****As at March 31, 2017***(Unaudited)*

	2017	2016
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 57,956	\$ 172,242
Accounts receivable	446	7,326
Goods and services tax recoverable	3,850	3,371
Prepaid expenses	1,068	1,056
	63,320	183,995
<b>CAPITAL ASSETS (Note 3)</b>	<b>2,421</b>	<b>3,229</b>
	\$ 65,741	\$ 187,224
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 3,999	\$ 4,000
Short term debt	45	19
Deferred contributions (Note 4)	19,613	143,937
	23,657	147,956
<b>NET ASSETS</b>	<b>42,084</b>	<b>39,268</b>
	\$ 65,741	\$ 187,224

**ON BEHALF OF THE BOARD**  
Director

See notes to financial statements

**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY****Statement of Revenues and Expenditures****For the Year Ended March 31, 2017***(Unaudited)*

	2017	2016
<b>REVENUE</b>		
Alberta Environment Core Grant	\$ 282,720	\$ 203,445
Alberta Environment Project Funding	92,059	47,571
Stakeholder Contribution	5,148	14,813
Environmental Damages Fund	34,590	78,840
HCSB Hiring Credit	220	111
	<b>414,737</b>	<b>344,780</b>
<b>EXPENSES</b>		
Advertising and promotion	11,881	6,157
Employee benefits	3,805	2,217
GST expense	3,850	3,371
Honorariums	10,200	7,125
Insurance	2,045	1,997
Interest and bank charges	390	105
Meetings and conventions	1,109	2,872
Office	5,074	4,687
Printing and reproduction	1,229	94
Professional fees	3,488	4,270
Rent	4,589	1,821
Salaries and wages	48,600	29,352
Sub-contracts	230,159	214,866
Technical project	16,726	-
Telephone	6,790	4,783
Training	4,919	5,667
Travel	56,356	41,008
	<b>411,210</b>	<b>330,392</b>
<b>EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS</b>	<b>3,527</b>	<b>14,388</b>
<b>OTHER INCOME (EXPENSES)</b>		
Amortization	(808)	(1,096)
Interest income	97	132
	<b>(711)</b>	<b>(964)</b>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 2,816</b>	<b>\$ 13,424</b>

**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY****Statement of Changes in Net Assets****For the Year Ended March 31, 2017***(Unaudited)*

	Unrestricted		Invested in		2017		2016	
			Capital Assets					
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$	36,039	\$	3,229	\$	39,268	\$	25,844
Excess of revenue over expenses		3,624		(808)		2,816		13,424
<b>NET ASSETS - END OF YEAR</b>	\$	39,663	\$	2,421	\$	42,084	\$	39,268



**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY****Statement of Cash Flow****For the Year Ended March 31, 2017***(Unaudited)*

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 2,816	\$ 13,424
Item not affecting cash:		
Amortization of capital assets	808	1,096
	3,624	14,520
Changes in non-cash working capital:		
Accounts receivable	6,879	(7,326)
Deferred contributions	(124,324)	2,470
Prepaid expenses	(12)	(37)
Goods and services tax payable	(479)	1,025
	(117,936)	(3,868)
Cash flow from (used by) operating activities	(114,312)	10,652
<b>INVESTING ACTIVITY</b>		
Decrease (increase) in restricted cash	124,324	(2,470)
<b>FINANCING ACTIVITY</b>		
Short term debt	26	(1,643)
<b>INCREASE IN CASH FLOW</b>	10,038	6,539
Cash - beginning of year	28,305	21,766
<b>CASH - END OF YEAR</b>	\$ 38,343	\$ 28,305
<b>CASH CONSISTS OF:</b>		
Cash	\$ 57,956	\$ 172,242
Less externally restricted portion of cash	(19,613)	(143,937)
	\$ 38,343	\$ 28,305

# MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

## Notes to Financial Statements

For the Year Ended March 31, 2017

(Unaudited)

### 1. PURPOSE OF THE SOCIETY

MIGHTY PEACE WATERSHED ALLIANCE SOCIETY (the "society") is a not-for-profit organization incorporated provincially under the Societies Act of Alberta. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The society is a multi-sector not-for-profit society committed to planning for an ecologically healthy watershed while ensuring environmental, economic and social sustainability.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

#### Cash and cash equivalents

Cash includes cash and cash equivalents. Cash and cash equivalents include balances with the bank. Cash subject to restrictions that prevent its use for the current purposes is included in restricted cash.

#### Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Equipment	20%	declining balance method
Computer equipment	30%	declining balance method

The society regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

#### Measurement uncertainty

The preparation of financial statements in conformity 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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

(continues)



# MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

## Notes to Financial Statements

For the Year Ended March 31, 2017

(Unaudited)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Revenue recognition

MIGHTY PEACE WATERSHED ALLIANCE SOCIETY follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

#### Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

When the society issues financial instruments that include both a debt and equity component, the entire proceeds are allocated to the debt component, and the equity component is assigned a measurement amount of \$nil.

When financial instruments that include both a debt and an equity component are issued, the proceeds are allocated firstly to the component for which the fair value is more readily determinable, and the residual is allocated to the other component.

### 3. CAPITAL ASSETS

Cost	2016 Balance	Additions	Disposals	2017 Balance
Equipment	\$ 2,803	\$ -	\$ -	\$ 2,803
Computers	4,566	-	-	4,566
	\$ 7,369	\$ -	\$ -	\$ 7,369

Accumulated Amortization	2016 Balance	Amortization	Accumulated Amortization on Disposals	2017 Balance
Equipment	\$ 1,189	\$ 323	\$ -	\$ 1,512
Computers	2,951	485	-	3,436
	\$ 4,140	\$ 808	\$ -	\$ 4,948

Net book value	2017	2016
Equipment	\$ 1,291	\$ 1,614
Computers	1,130	1,615
	\$ 2,421	\$ 3,229

# MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

## Notes to Financial Statements

For the Year Ended March 31, 2017

(Unaudited)

### 4. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent resources restricted for operating funding received in the current period that is related to the subsequent period. Changes in the deferred contribution balances are as follows.

	2017	2016
<b>Core Operational &amp; Program Support</b>		
Beginning balance, related to operating funding	\$ 129,392	\$ 55,408
Less - amount recognized as revenue in the year	(374,779)	(251,147)
Add - amount received during the year	265,000	325,131
	19,613	129,392
<b>Environmental Damages Fund</b>		
Beginning balance, related to operating funding	14,545	100,604
Less - amount recognized as revenue in the year	(34,144)	(86,059)
Add - amount received during the year	19,599	-
	-	14,545
Grand total	\$ 19,613	\$ 143,937

### 5. ECONOMIC DEPENDENCE

The society is dependent on its ability to secure funding from outside sources, notably from Alberta Environment and Sustainable Resource Development as well as Environment Canada. The society receives 98% (2016 - 96%) of its revenue from government funding.

### 6. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash and temporary investments, receivables, accounts payable, and accrued liabilities. It is management's opinion that the society is not exposed to significant interest, currency, or credit risk arising from these financial statements. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.