

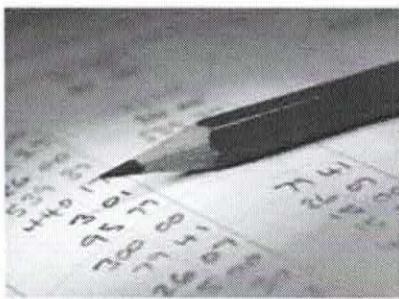
# SYLVAIN & COMPANY

## MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

### Financial Statements

Year Ended March 31, 2018

*(Unaudited)*



# CPA

CHARTERED  
PROFESSIONAL  
ACCOUNTANTS

**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY**

**Index to Financial Statements**

**Year Ended March 31, 2018**

*(Unaudited)*

---

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Revenues and Expenditures	3
Statement of Changes in Net Assets	4
Statement of Cash Flow	5
Notes to Financial Statements	6 - 9



**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY****Statement of Financial Position****March 31, 2018***(Unaudited)*

	2018	2017
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 232,233	\$ 57,956
Accounts receivable	6,501	446
Goods and services tax recoverable	2,807	3,850
Prepaid expenses	1,073	1,068
	242,614	63,320
<b>CAPITAL ASSETS (Note 3)</b>	1,824	2,421
	\$ 244,438	\$ 65,741
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 8,614	\$ 3,999
Short term debt	405	45
Deferred contributions (Note 4)	191,753	19,613
	200,772	23,657
<b>NET ASSETS</b>		
Unrestricted	41,842	39,663
Invested in capital assets	1,824	2,421
	43,666	42,084
	\$ 244,438	\$ 65,741

**ON BEHALF OF THE BOARD**

Director

See notes to financial statements

**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY****Statement of Revenues and Expenditures****Year Ended March 31, 2018***(Unaudited)*

	2018	2017
<b>REVENUES</b>		
Alberta Environment Core Grant	\$ 301,640	\$ 374,779
Alberta Environment Water Resiliency, Restoration	32,959	-
Environmental Damages Fund	-	34,590
HCSB Hiring Credit	-	220
Stakeholder Contribution	4,880	5,148
Technical Funding Project - Red Willow	43,870	-
	<b>383,349</b>	<b>414,737</b>
<b>EXPENSES</b>		
Advertising and promotion	8,416	11,881
Employee benefits	3,508	3,805
GST expense	2,807	3,850
Honorariums	6,975	10,200
Insurance	2,061	2,045
Interest and bank charges	31	390
Meetings and conventions	625	1,109
Office	4,932	5,074
Printing and reproduction	16,847	1,229
Professional fees	4,800	3,488
Rent	4,351	4,589
Salaries and wages	48,929	48,600
Sub-contracts	205,481	230,159
Technical project	25,679	16,726
Telephone	6,174	6,790
Training	3,402	4,919
Travel	36,152	56,356
	<b>381,170</b>	<b>411,210</b>
<b>EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<b>2,179</b>	<b>3,527</b>
<b>OTHER INCOME (EXPENSES)</b>		
Amortization	(597)	(808)
Interest income	-	97
	<b>(597)</b>	<b>(711)</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 1,582</b>	<b>\$ 2,816</b>

See notes to financial statements

SYLVAIN &amp; COMPANY

3

**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY****Statement of Changes in Net Assets****Year Ended March 31, 2018***(Unaudited)*

	Unrestricted		Invested in Capital Assets		2018	2017
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$	39,663	\$	2,421	\$ 42,084	\$ 39,268
<b>EXCESS OF REVENUES OVER EXPENSES</b>		2,179		(597)	<b>1,582</b>	2,816
<b>NET ASSETS - END OF YEAR</b>	\$	41,842	\$	1,824	\$ 43,666	\$ 42,084

See notes to financial statements

**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY****Statement of Cash Flow****Year Ended March 31, 2018***(Unaudited)*

	2018	2017
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 1,582	\$ 2,816
Item not affecting cash:		
Amortization of capital assets	597	808
	2,179	3,624
Changes in non-cash working capital:		
Accounts receivable	(6,055)	6,880
Accounts payable	4,615	(1)
Deferred contributions	172,140	(124,324)
Prepaid expenses	(5)	(12)
Goods and services tax payable	1,043	(479)
	171,738	(117,936)
Cash flow from (used by) operating activities	173,917	(114,312)
<b>INVESTING ACTIVITY</b>		
Decrease (increase) in restricted cash	(172,140)	124,324
<b>FINANCING ACTIVITY</b>		
Short term debt	360	26
<b>INCREASE IN CASH FLOW</b>	2,137	10,038
Cash - beginning of year	38,343	28,305
<b>CASH - END OF YEAR</b>	\$ 40,480	\$ 38,343
<b>CASH CONSISTS OF:</b>		
Cash	\$ 232,233	\$ 57,956
Less externally restricted portion of cash <i>(Note 4)</i>	(191,753)	(19,613)
	\$ 40,480	\$ 38,343



# MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2018

(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**

**Year Ended March 31, 2018**

*(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.

Seminar fees are recognized as revenue when the seminars are held.

#### 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.

Preferred shares that would otherwise be classified as liabilities, are classified as equity when issued as part of certain tax planning arrangements.

# MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2018

(Unaudited)

### 3. CAPITAL ASSETS

Cost	2017 Balance	Additions	Disposals	2018 Balance
Equipment	\$ 2,803	\$ -	\$ -	\$ 2,803
Computers	4,566	-	-	4,566
	\$ 7,369	\$ -	\$ -	\$ 7,369

Accumulated Amortization	2017 Balance	Amortization	Accumulated Amortization on Disposals	2018 Balance
Equipment	\$ 1,512	\$ 258	\$ -	\$ 1,770
Computers	3,436	339	-	3,775
	\$ 4,948	\$ 597	\$ -	\$ 5,545

Net book value	2018	2017
Equipment	\$ 1,033	\$ 1,291
Computers	791	1,130
	\$ 1,824	\$ 2,421

**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY****Notes to Financial Statements****Year Ended March 31, 2018***(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.

	2018	2017
<b>Core Operational &amp; Program Support</b>		
Beginning balance, related to operating funding	\$ 19,613	\$ 129,392
Less - amount recognized as revenue in the year	(301,640)	(374,779)
Add - amount received during the year	296,051	265,000
	14,024	19,613
<b>Technical Funding Project - Red Willow</b>		
Beginning balance, related to operating funding	-	14,545
Less - amount recognized as revenue in the year	(43,870)	(34,144)
Add - amount received during the year	43,870	19,599
	-	-
<b>Water Resiliency and Restoration Program - Stream</b>		
Beginning balance,	-	-
Less - amount recognized as revenue in the year	(17,091)	-
Add - amount received during the year	172,924	-
	155,833	-
<b>Water Resiliency and Restoration Program - Livestock</b>		
Beginning balance	-	-
Less - amount recognized as revenue in the year	(15,868)	-
Add - amount received during the year	37,764	-
	21,896	-
Grand total	\$ 191,753	\$ 19,613

**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% (2017 - 98%) 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.