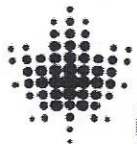
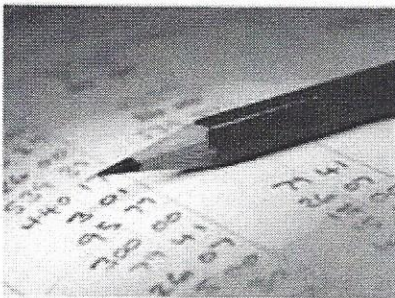


# SYLVAIN & COMPANY

MIGHTY PEACE WATERSHED  
ALLIANCE SOCIETY

Financial Statements

Year Ended March 31, 2019



**CPA**

CHARTERED  
PROFESSIONAL  
ACCOUNTANTS

# **MIGHTY PEACE WATERSHED ALLIANCE SOCIETY**

## **Index to Financial Statements**

**Year Ended March 31, 2019**

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# SYLVAIN & COMPANY

Chartered Professional Accountants

Michel A Sylvain, CPA, CGA\*  
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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Members of MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

We have reviewed the accompanying financial statements of MIGHTY PEACE WATERSHED ALLIANCE SOCIETY which comprise the statement of financial position as at March 31, 2019 and the statements of revenues 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.

### *Practitioner's Responsibility for the Financial Statements*

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of MIGHTY PEACE WATERSHED ALLIANCE SOCIETY as at March 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Falher, AB  
May 21, 2019

  
CHARTERED PROFESSIONAL ACCOUNTANTS

**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY****Statement of Financial Position****March 31, 2019**

	2019	2018
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 281,272	\$ 232,233
Accounts receivable	9,385	6,501
Goods and services tax recoverable	17,077	2,807
Prepaid expenses	1,060	1,073
	308,794	242,614
PROPERTY, PLANT AND EQUIPMENT <i>(Note 3)</i>	2,153	1,824
	\$ 310,947	\$ 244,438
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 12,804	\$ 8,614
Short term debt	2,260	405
Deferred contributions <i>(Note 4)</i>	215,670	191,753
	230,734	200,772
<b>NET ASSETS</b>		
Unrestricted	78,060	41,842
Invested in capital assets	2,153	1,824
	80,213	43,666
	\$ 310,947	\$ 244,438

**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, 2019**

	2019	2018
<b>REVENUES</b>		
Alberta Environment Core Grant	\$ 294,781	\$ 301,640
Alberta Environment Water Resiliency, Restoration	148,032	32,959
Stakeholder Contribution	44,505	4,880
Technical Funding Project - Red Willow	545,128	43,870
	<b>1,032,446</b>	<b>383,349</b>
<b>EXPENSES</b>		
Advertising and promotion	14,538	8,416
Employee benefits	3,478	3,508
GST expense	17,077	2,807
Honorariums	4,575	6,975
Insurance	2,133	2,061
Interest and bank charges	50	31
Meetings and conventions	1,373	625
Office	5,716	4,932
Printing and reproduction	6,717	16,847
Professional fees	4,565	4,800
Rent	3,929	4,351
Salaries and wages	48,600	48,929
Sub-contracts	248,209	205,481
Technical project	566,719	25,679
Telephone	6,199	6,174
Training	4,684	3,402
Travel	56,756	36,152
	<b>995,318</b>	<b>381,170</b>
<b>EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<b>37,128</b>	<b>2,179</b>
<b>OTHER INCOME (EXPENSES)</b>		
Amortization	(581)	(597)
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 36,547</b>	<b>\$ 1,582</b>



**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY****Statement of Changes in Net Assets****Year Ended March 31, 2019**

	Unrestricted	Invested in Capital Assets	2019	2018
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 41,842	\$ 1,824	\$ 43,666	\$ 42,084
<b>EXCESS OF REVENUES OVER EXPENSES</b>	36,218	329	36,547	1,582
<b>NET ASSETS - END OF YEAR</b>	\$ 78,060	\$ 2,153	\$ 80,213	\$ 43,666

See notes to financial statements

SYLVAIN &amp; COMPANY

**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY****Statement of Cash Flows****Year Ended March 31, 2019**

	2019	2018 (Note 7)
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 36,547	\$ 1,582
Item not affecting cash:		
Amortization of property, plant and equipment	581	597
	37,128	2,179
Changes in non-cash working capital:		
Accounts receivable	(2,884)	(6,055)
Accounts payable	4,190	4,615
Deferred contributions	23,917	172,140
Prepaid expenses	13	(5)
Goods and services tax payable	(14,270)	1,043
	10,966	171,738
Cash flow from operating activities	48,094	173,917
<b>INVESTING ACTIVITY</b>		
Purchase of property, plant and equipment	(910)	-
Cash flow used by investing activity	(910)	-
<b>FINANCING ACTIVITY</b>		
Short term debt	1,855	360
Cash flow from financing activity	1,855	360
<b>INCREASE IN CASH FLOW</b>	49,039	174,277
Cash - beginning of year	232,233	57,956
<b>CASH - END OF YEAR</b>	\$ 281,272	\$ 232,233
<b>CASH CONSISTS OF:</b>		
Cash	\$ 281,272	\$ 232,233

See notes to financial statements

# MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2019

(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 and 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, 2019

(Unaudited)

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### 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.

# MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2019

(Unaudited)

### 3. PROPERTY, PLANT AND EQUIPMENT

Cost	2018 Balance	Additions	Disposals	2019 Balance
Equipment	\$ 2,803	\$ -	\$ -	\$ 2,803
Computers	4,566	910	-	5,476
	\$ 7,369	\$ 910	\$ -	\$ 8,279

Accumulated Amortization	2018 Balance	Amortization	Accumulated Amortization on Disposals	2019 Balance
Equipment	\$ 1,770	\$ 207	\$ -	\$ 1,977
Computers	3,775	374	-	4,149
	\$ 5,545	\$ 581	\$ -	\$ 6,126

Net book value	2019	2018
Equipment	\$ 826	\$ 1,033
Computers	1,327	791
	\$ 2,153	\$ 1,824

**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY****Notes to Financial Statements****Year Ended March 31, 2019***(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.

	2019	2018
<b>Core Operational &amp; Program Support</b>		
Beginning balance, related to operating funding	\$ 14,024	\$ 19,613
Less - amount recognized as revenue in the year	(294,781)	(301,640)
Add - amount received during the year - Alberta Environment & Parks	400,070	296,051
Add - amount received during the year - other	4,520	-
	<b>123,833</b>	<b>14,024</b>
<b>Technical Funding Project - Red Willow</b>		
Beginning balance, related to operating funding	-	-
Less - amount recognized as revenue in the year	(545,128)	(43,870)
Add - amount received during the year	545,128	43,870
	<b>-</b>	<b>-</b>
<b>Water Resiliency and Restoration Program - Stream</b>		
Beginning balance, related to operating funding	155,833	-
Less - amount recognized as revenue in the year	(87,101)	(17,091)
Add - amount received during the year	1,376	172,924
	<b>70,108</b>	<b>155,833</b>
<b>Water Resiliency and Restoration Program - Livestock</b>		
Beginning balance, related to operating funding	21,896	-
Less - amount recognized as revenue in the year	(60,931)	(15,868)
Add - amount received during the year	60,764	37,764
	<b>21,729</b>	<b>21,896</b>
<b>Grand total</b>	<b>\$ 215,670</b>	<b>\$ 191,753</b>

**5. ECONOMIC DEPENDENCE**

The society is dependent on its ability to secure funding from outside sources, notably from Alberta Transportation, Alberta Environment and Sustainable Resource Development as well as Environment Canada. The Society receives 96% (2018 - 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.

**MIGHTY PEACE WATERSHED ALLIANCE SOCIETY**

**Notes to Financial Statements**

**Year Ended March 31, 2019**

*(Unaudited)*

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**7. COMPARATIVE FIGURES**

Some of the comparative figures have been reclassified to conform to the current year's presentation.