

ATHABASCA WATERSHED COUNCIL

Financial Statements

Year Ended March 31, 2016

(Unaudited)

ATHABASCA WATERSHED COUNCIL
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Year Ended March 31, 2016
(Unaudited)

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Shoemaker, Viney & Friesen

CHARTERED ACCOUNTANTS

John S. Shoemaker Professional Corporation

Tina J. Viney Professional Corporation

Timothy J. Friesen Professional Corporation

REVIEW ENGAGEMENT REPORT

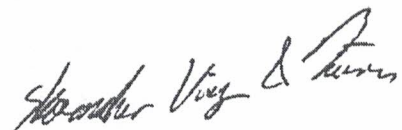
To the Members of Athabasca Watershed Council

We have reviewed the statement of financial position of Athabasca Watershed Council as at March 31, 2016 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 organization.

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.

Westlock, Alberta
June 11, 2016



CHARTERED ACCOUNTANTS

ATHABASCA WATERSHED COUNCIL

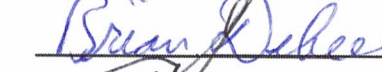

Statement of Financial Position

March 31, 2016

(Unaudited)

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 55,300	\$ 45,673
Accounts receivable	-	9,427
Goods and services tax recoverable	10,572	-
Prepaid expenses	1,619	1,883
	<u>67,491</u>	<u>56,983</u>
PROPERTY, PLANT AND EQUIPMENT (Note 4)	<u>403</u>	<u>1,207</u>
	<u>\$ 67,894</u>	<u>\$ 58,190</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 3,989	\$ 2,999
Deferred income (Note 6)	8,279	-
Withholdings payable	435	-
	<u>12,703</u>	<u>2,999</u>
NET ASSETS		
General fund	54,788	53,984
Equity in equipment fund	403	1,207
	<u>55,191</u>	<u>55,191</u>
	<u>\$ 67,894</u>	<u>\$ 58,190</u>

ON BEHALF OF THE BOARD

 Director
 Director

ATHABASCA WATERSHED COUNCIL
Statement of Revenues and Expenditures
Year Ended March 31, 2016
(Unaudited)

	2016	2015
RECEIPTS		
Grant Revenue	\$ 91,721	\$ 200,200
Donations	-	915
	<u>91,721</u>	<u>201,115</u>
EXPENSES		
Amortization	804	804
Board appreciation	441	828
Business taxes, licenses and memberships	1,532	2,150
Honorariums	13,645	14,025
GST Expense	1,144	1,545
Insurance	1,883	1,455
Interest and bank charges	84	60
Meetings and conventions	2,600	4,918
Office	4,047	3,971
Professional fees	11,472	19,820
Rental	20,572	13,365
Repairs and maintenance	1,209	665
Salaries and wages	4,555	141,811
Sub-contracts	4,501	10,783
Supplies	341	1,714
Telephone	1,070	3,637
Travel	21,853	40,329
	<u>91,753</u>	<u>261,880</u>
DEFICIENCY OF RECEIPTS OVER EXPENSES FROM OPERATIONS	<u>(32)</u>	<u>(60,765)</u>
OTHER INCOME		
Interest from other sources	32	1,109
Expense recoveries	-	2,237
	<u>32</u>	<u>3,346</u>
DEFICIENCY OF RECEIPTS OVER EXPENSES	<u>\$ -</u>	<u>\$ (57,419)</u>

ATHABASCA WATERSHED COUNCIL
Statement of Changes in Net Assets
Year Ended March 31, 2016
(Unaudited)

	General Fund	Invested In Equipment Fund	2016	2015
NET ASSETS - BEGINNING OF YEAR	\$ 53,984	\$ 1,207	\$ 55,191	\$ 112,610
Excess of receipts over expenses	-	-	-	(57,419)
Amortization	804	(804)	-	-
NET ASSETS - END OF YEAR	\$ 54,788	\$ 403	\$ 55,191	\$ 55,191

ATHABASCA WATERSHED COUNCIL

Statement of Cash Flow Year Ended March 31, 2016 (Unaudited)

	2016	2015
OPERATING ACTIVITIES		
Deficiency of receipts over expenses	\$ -	\$ (57,419)
Item not affecting cash:		
Amortization of property, plant and equipment	804	804
	<u>804</u>	<u>(56,615)</u>
Changes in non-cash working capital:		
Accounts receivable	9,427	(5,927)
Goods and services tax recoverable	(10,572)	7,516
Prepaid expenses	264	(137)
Accounts payable	990	(15,463)
Deferred income	8,279	-
Withholdings payable	435	-
	<u>8,823</u>	<u>(14,011)</u>
Cash flow from (used by) operating activities	<u>9,627</u>	<u>(70,626)</u>
FINANCING ACTIVITY		
Short term debt	-	(1,477)
INCREASE (DECREASE) IN CASH FLOW	<u>9,627</u>	<u>(72,103)</u>
CASH - BEGINNING OF YEAR	<u>45,673</u>	<u>117,776</u>
CASH - END OF YEAR	<u>\$ 55,300</u>	<u>\$ 45,673</u>

ATHABASCA WATERSHED COUNCIL

Notes to Financial Statements

March 31, 2016

(Unaudited)

1. PURPOSE OF THE ORGANIZATION

The Athabasca Watershed Council is a registered not-for-profit organization. The major objectives of the Society are to provide timely, credible information about the Athabasca Watershed and to promote plans for a healthy watershed. The Society is exempt from income taxes under section 149(1)(l) of the Income Tax Act. Accordingly, there is no provision for income taxes in these financial statements.

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 (ASNPO).

Cash and short term investments

Cash and cash equivalents consist solely of cash in bank accounts, there are no cash equivalents.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated amortization. Property, plant and equipment is amortized at the following rates and methods:

Computer equipment	3 years	straight-line method
Furniture and fixtures	3 years	straight-line method

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.

Revenue recognition

Athabasca Watershed Council 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. Endowment contributions are recognized as direct increases in net assets.

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.

Donations are recorded on the date they are received by the Society.

(continues)

ATHABASCA WATERSHED COUNCIL

Notes to Financial Statements

March 31, 2016

(Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments policy

Initial and subsequent measurement

The Society initially measures its financial assets and liabilities at fair value. Subsequent measurement of all financial assets and liabilities is at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in the fair value of these financial instruments are recognized in net income in the period incurred.

Financial assets measured at amortized cost on a straight-line basis include cash and accounts receivable.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and withholdings payable.

3. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2016. Financial instruments include accounts payable and withholdings payable.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its Grant and donation providers.

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Computer equipment	\$ 15,488	\$ 15,085	\$ 403	\$ 1,207
Furniture and fixtures	5,774	5,774	-	-
	<u>\$ 21,262</u>	<u>\$ 20,859</u>	<u>\$ 403</u>	<u>\$ 1,207</u>

5. RELATED PARTIES

The following is a summary of the Society's related party transactions:

	2016	2015
<u>Related party transactions</u>		

(continues)

ATHABASCA WATERSHED COUNCIL
Notes to Financial Statements
March 31, 2016
(Unaudited)

5. RELATED PARTIES *(continued)*

	2016	2015
Brian Deheer		
<i>Board Member</i>		
Reimbursed expenses	\$ 2,845	\$ 2,161
Honorarium	1,500	750
	<u>4,345</u>	<u>2,911</u>
Reimbursed expenses	4,345	2,911
Carolyn Campbell		
<i>Board Member</i>		
Reimbursed expenses	\$ 1,954	\$ -
	<u>1,954</u>	<u>-</u>
Reimbursed expenses	1,954	-
Dave Loyie		
<i>Board Member</i>		
Reimbursed expenses	\$ 366	\$ 1,666
Honorarium	300	-
	<u>666</u>	<u>1,666</u>
Reimbursed expenses	666	1,666
Donna Mendlsohn		
<i>Board Member</i>		
Reimbursed expenses	\$ 2,814	\$ 14,877
Honorarium	300	675
	<u>3,114</u>	<u>15,552</u>
Reimbursed expenses	3,114	15,552
Doug Badger		
<i>Board Member</i>		
Reimbursed expenses	\$ 5,107	\$ 6,308
Honorarium	1,050	600
	<u>6,157</u>	<u>6,908</u>
Reimbursed expenses	6,157	6,908
Doug Kariel		
<i>Board Member</i>		
Reimbursed expenses	\$ 1,060	\$ -
Honorarium	1,350	-
	<u>2,410</u>	<u>-</u>
Reimbursed expenses	2,410	-

(continues)

ATHABASCA WATERSHED COUNCIL

Notes to Financial Statements

March 31, 2016

(Unaudited)

5. RELATED PARTIES (continued)

	2016	2015
Garry Horton Board Member		
Reimbursed expenses	\$ 1,778	\$ 1,331
Honorarium	1,120	750
	<u>2,898</u>	<u>2,081</u>
Janice Pitman Board Member		
Reimbursed expenses	\$ 1,722	\$ 3,065
Honorarium	2,100	750
	<u>3,822</u>	<u>3,815</u>
Kai Ma Board Member		
Reimbursed expenses	\$ 663	\$ 332
Marvin Fyten Board Member		
Reimbursed expenses	\$ 299	\$ -
Honorarium	600	-
	<u>899</u>	<u>-</u>
Terry Sheehan Board Member		
Reimbursed expenses	\$ 545	\$ -
Honorarium	525	-
	<u>1,070</u>	<u>-</u>
Thomas Polzin Board Member		
Reimbursed expenses	\$ 4,038	\$ 4,022
Honorarium	1,650	750
	<u>5,688</u>	<u>4,772</u>

(continues)

ATHABASCA WATERSHED COUNCIL
Notes to Financial Statements
March 31, 2016
(Unaudited)

5. RELATED PARTIES (continued)

	<u>2016</u>	<u>2015</u>
Tom Weber <i>Board Member</i>		
Reimbursed expenses	\$ 3,170	\$ 6,024
Honorarium	900	600
	<u>4,070</u>	<u>6,624</u>
Connie Simmons <i>Board Member</i>		
Reimbursed expenses	\$ -	\$ 2,741
Honorarium	-	450
	<u>-</u>	<u>3,191</u>
Robert Yontz <i>Board Member</i>		
Reimbursed expenses	\$ 191	\$ -
Honorarium	525	-
	<u>716</u>	<u>-</u>
	<u>\$ 38,472</u>	<u>\$ 47,852</u>

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.

6. DEFERRED CONTRIBUTION

The deferred contribution amounts relate to grant monies received from the Alberta Government during the current year that were not spent. As such, these contributions will be recognized as revenue once the Society incurs expenses.

7. ECONOMIC DEPENDENCE

The Society relies heavily on monies provided by the Provincial Government. Should the Government decide to cease its funding of the Society, it would be unlikely that the Society would continue to function.

8. GOING CONCERN

The accompanying financial statements have been prepared on the going concern assumption that the Society will be able to realize its assets and discharge its liabilities in the normal course of operations. The ability of the council to continue operations is dependent on securing continued government funding.