

ATHABASCA WATERSHED COUNCIL

Financial Statements

Year Ended March 31, 2017

(Unaudited)

ATHABASCA WATERSHED COUNCIL
Index to Financial Statements
Year Ended March 31, 2017
(Unaudited)

	Page
REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Revenues and Expenditures	4
Statement of Cash Flow	5
Notes to Financial Statements	6 - 11



KINGSTON
ROSS
PASNAK^{LLP}

Suite 1500, 9888 Jasper Avenue
Edmonton, Alberta T5J 5C6
T. 780.424.3000 | F. 780.429.4817 | W. krpgroup.com

July 10, 2017
Edmonton, Alberta

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, 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.

The financial statements for the year ended March 31, 2016 were reviewed by another accounting firm and are presented for comparative purposes only.


Kingston Ross Pasnak LLP

Kingston Ross Pasnak LLP
Chartered Professional Accountants


ATHABASCA WATERSHED COUNCIL**Statement of Financial Position****March 31, 2017***(Unaudited)*

	2017	2016
ASSETS		
CURRENT		
Cash	\$ 60,705	\$ 55,300
Goods and Services Tax recoverable	11,542	10,572
Prepaid expenses	1,619	1,619
	73,866	67,491
EQUIPMENT (Note 3)	181	403
	\$ 74,047	\$ 67,894
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 9,362	\$ 3,989
Deferred income	7,750	8,279
Withholdings payable	1,744	435
	18,856	12,703
NET ASSETS		
General fund	55,009	54,788
Equity in equipment fund	182	403
	55,191	55,191
	\$ 74,047	\$ 67,894

ON BEHALF OF THE BOARD



Director



Director

See notes to financial statements
Athabasca Watershed Council

ATHABASCA WATERSHED COUNCIL**Statement of Changes in Net Assets****Year Ended March 31, 2017***(Unaudited)*

	General Fund		Invested in Equipment		2017	2016
NET ASSETS - BEGINNING OF YEAR	\$	54,788	\$	403	\$	55,191
Amortization		221		(221)	-	-
NET ASSETS - END OF YEAR	\$	55,009	\$	182	\$	55,191

ATHABASCA WATERSHED COUNCIL
Statement of Revenues and Expenditures
For the Year Ended March 31, 2017
(Unaudited)

	2017	2016
REVENUE		
Grant revenue	\$ 132,823	\$ 91,721
EXPENSES		
Salaries and wages	61,265	4,555
Travel	21,978	21,853
Honorariums	16,875	13,645
Office	6,195	4,088
Professional fees	6,175	11,472
Rental	5,600	20,572
Telephone	4,173	1,070
Advertising and promotion	3,313	-
Business taxes, licenses and memberships	3,130	1,532
Insurance	1,772	1,883
Goods and Services Tax expense	1,128	1,144
Meetings and conventions	801	2,600
Interest and bank charges	241	83
Amortization	221	804
Repairs and maintenance	-	1,209
Sub-contracts	-	4,501
Supplies	-	341
Board appreciation	-	401
	132,867	91,753
DEFICIENCY OF REVENUE OVER EXPENSES FROM OPERATIONS	(44)	(32)
OTHER INCOME		
Interest income	44	32
EXCESS OF REVENUE OVER EXPENSES	\$ -	\$ -

ATHABASCA WATERSHED COUNCIL**Statement of Cash Flow****Year Ended March 31, 2017***(Unaudited)*

	2017	2016
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ -	\$ -
Item not affecting cash:		
Amortization of equipment	221	804
	221	804
Changes in non-cash working capital:		
Accounts receivable	-	9,427
Goods and services tax receivable	(970)	(10,572)
Prepaid expenses	-	264
Accounts payable and accrued liabilities	5,374	990
Deferred income	(529)	8,279
Withholdings payable	1,309	435
	5,184	8,823
INCREASE IN CASH	5,405	9,627
CASH - BEGINNING OF YEAR	55,300	45,673
CASH - END OF YEAR	\$ 60,705	\$ 55,300

ATHABASCA WATERSHED COUNCIL

Notes to Financial Statements

Year Ended March 31, 2017

(Unaudited)

1. PURPOSE OF THE THE MAJOR OBJECTIVES OF THE SOCIETY

Athabasca Watershed Council (the "Society") is a registered not-for-profit organization incorporated provincially under the Societies Act of Alberta on August 21, 2009. The Society is exempt from the payment of income tax under Section 149(1) of the Income Tax Act. Accordingly there is no provision for income taxes in these financial statements.

The major objectives of the Society are to provide timely, credible information about the Athabasca Watershed and to promote plans for a healthy watershed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Significant accounting policies observed in the preparation of the financial statements are summarized below.

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.

Financial instruments

All financial instruments are initially measured at fair value, and, unless otherwise noted, the society subsequently measures its financial instruments at amortized cost.

(continues)

ATHABASCA WATERSHED COUNCIL

Notes to Financial Statements

Year Ended March 31, 2017

(Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Equipment

Equipment is stated at cost or deemed cost less accumulated amortization. Equipment is amortized over its estimated useful life at the following rates and methods:

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

In the year of purchase, amortization on equipment is taken at one half of the normal amount.

Equipment 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. Actual estimates pertain to amortization of property and equipment.

3. EQUIPMENT

	Cost	Accumulated amortization	2017 Net book value	2016 Net book value
Computer equipment	\$ 15,488	\$ 15,307	\$ 181	\$ 403
Furniture and fixtures	5,774	5,774	-	-
	\$ 21,262	\$ 21,081	\$ 181	\$ 403

ATHABASCA WATERSHED COUNCIL**Notes to Financial Statements****Year Ended March 31, 2017***(Unaudited)***4. DEFERRED INCOME**

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.

	2017	2016
Balance, beginning of year	\$ 8,278	\$ -
Funds received	131,766	99,999
Revenue recognized	(132,294)	(91,721)
Balance, end of year	\$ 7,750	\$ 8,278

5. RELATED PARTY TRANSACTIONS

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

	2017	2016
Brian Deheer <i>Board Member</i>		
Reimbursed expenses	\$ 4,859	\$ 2,845
Honorarium	1,350	1,500
	6,209	4,345
Carolyn Campbell <i>Board Member</i>		
Reimbursed expenses	\$ 487	\$ 1,954
Dave Loyle <i>Board Member</i>		
Reimbursed expenses	-	366
Honorarium	-	300
	-	666
Donna Mendisohn <i>Board Member</i>		
Reimbursed expenses	-	2,814
Honorarium	-	300
	-	3,114

(continues)

ATHABASCA WATERSHED COUNCIL**Notes to Financial Statements****Year Ended March 31, 2017***(Unaudited)***5. RELATED PARTY TRANSACTIONS (continued)**

	2017	2016
Doug Badger <i>Board Member</i>		
Reimbursed expenses	-	5,107
Honorarium	-	1,050
	-	6,157
Doug Kariel <i>Board Member</i>		
Reimbursed expenses	264	1,060
Honorarium	-	1,350
	264	2,410
Gary Horton <i>Board Member</i>		
Reimbursed expenses	253	1,778
Honorarium	450	1,120
	703	2,898
Janice Pitman <i>Board Member</i>		
Reimbursed expenses	1,378	1,722
Honorarium	1,050	2,100
	2,428	3,822
Kai Ma <i>Board Member</i>		
Reimbursed expenses	-	663
Marvin Fyten <i>Board Member</i>		
Reimbursed expenses	968	299
Honorarium	1,125	600
	2,093	899

(continues)

ATHABASCA WATERSHED COUNCIL**Notes to Financial Statements****Year Ended March 31, 2017***(Unaudited)***5. RELATED PARTY TRANSACTIONS (continued)**

	2017	2016
Morris A. Nessdole <i>Board Member</i>		
Reimbursed expenses	860	-
Honorarium	900	-
	1,760	-
Robert Holmberg <i>Board Member</i>		
Reimbursed expenses	428	-
Honorarium	750	-
	1,178	-
Robert Yontz <i>Board Member</i>		
Reimbursed expenses	-	191
Honorarium	-	525
	-	716
Terry Sheehan <i>Board Member</i>		
Reimbursed expenses	202	545
Honorarium	525	525
	727	1,070
Thomas Polzin <i>Board Member</i>		
Reimbursed expenses	1,068	4,038
Honorarium	825	1,650
	1,893	5,688
Tom Weber <i>Board Member</i>		
Reimbursed expenses	-	3,170
Honorarium	-	900
	-	4,070
	\$ 17,742	\$ 38,472

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.

ATHABASCA WATERSHED COUNCIL

Notes to Financial Statements

Year Ended March 31, 2017

(Unaudited)

6. FINANCIAL INSTRUMENTS

The society is exposed to various risks through its financial instruments. The following analysis provides information about the society's risk exposure and concentration as of March 31, 2017. Unless otherwise noted, the society's risk exposure has not changed from the prior year.

(a) Liquidity risk

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

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. COMPARATIVE FIGURES

The prior year comparative figures were reviewed by another firm of public accountants.