

WESTERN CANADA WILDERNESS COMMITTEE

Financial Statements

April 30, 2018



WESTERN CANADA WILDERNESS COMMITTEE  
Index to Financial Statements  
Year Ended April 30, 2018

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Western Canada Wilderness Committee

We have audited the accompanying financial statements of Western Canada Wilderness Committee, which comprise the statement of financial position as at April 30, 2018 and the statements of operations, changes in fund balances 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### *Basis for Qualified Opinion*

In common with many charitable organizations, the Committee derives most of its revenue from donations and various fundraising programs, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our work in respect of this revenue was limited to accounting for the amounts recorded in the accounts of the organization, and we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenue over expenses for the year, assets and fund balances.

*(continues)*



Independent Auditor's Report to the Members of Western Canada Wilderness Committee *(continued)*

*Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Western Canada Wilderness Committee as at April 30, 2018, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Other Legal and Regulatory Requirements*

As required by the Societies Act of British Columbia, we report that, in our opinion, these standards have been applied on a basis consistent with that of the preceding year.

Burnaby, British Columbia  
September 26, 2018

  
Chartered Professional Accountants





**WESTERN CANADA WILDERNESS COMMITTEE**  
**Statement of Financial Position**  
**April 30, 2018**

	General Fund	Capital Fund	Internally Restricted Fund	Restricted Environmental Fund	2018	2017 (Note 9)
<b>ASSETS</b>						
<b>CURRENT</b>						
Cash	\$ 303,881	\$ -	\$ -	\$ 26,626	\$ 330,507	\$ 62,083
Accounts receivable	19	-	-	-	19	11,183
Interest receivable	2,039	-	-	-	2,039	2,039
Recoverable from government authorities - GST	17,637	-	-	-	17,637	23,565
Prepaid expenses	42,184	-	-	-	42,184	41,228
Inventory	12,881	-	-	-	12,881	17,603
	378,641	-	-	26,626	405,267	157,701
<b>RESTRICTED INVESTMENT</b>	-	-	320,142	-	320,142	318,075
<b>CAPITAL ASSETS (Note 3)</b>	-	72,512	-	-	72,512	17,397
	\$ 378,641	\$ 72,512	\$ 320,142	\$ 26,626	\$ 797,921	\$ 493,173

**LIABILITIES AND FUND BALANCES**

<b>CURRENT</b>						
Accounts payable and accrued liabilities	\$ 126,858	\$ -	\$ -	\$ -	\$ 126,858	\$ 93,601

**FUND BALANCES - page 4**

Unrestricted	251,783	-	-	-	251,783	38,022
Internally restricted - capital	-	72,512	-	-	72,512	17,397
Internally restricted (Note 10)	-	-	320,142	-	320,142	318,075
Externally restricted (Note 10)	-	-	-	26,626	26,626	26,078
	251,783	72,512	320,142	26,626	671,063	399,572
	\$ 378,641	\$ 72,512	\$ 320,142	\$ 26,626	\$ 797,921	\$ 493,173

**LEASE COMMITMENTS (Note 7)**

**ON BEHALF OF THE BOARD**

 Director

 Director

See notes to financial statements



**WESTERN CANADA WILDERNESS COMMITTEE**  
**Statement of Changes in Fund Balances**  
**Year Ended April 30, 2018**

	General Fund	Capital Fund	Internally Restricted Fund	Restricted Environmental Fund	2018	2017
<b>FUND BALANCES - BEGINNING OF YEAR</b>	\$ 38,022	\$ 17,397	\$ 318,075	\$ 26,078	\$ 399,572	\$ 435,226
Excess (deficiency) of revenue over expenses - page 5	250,455	(14,512)	-	35,548	271,491	(35,654)
Interfund transfers (Note 5)	(36,694)	69,627	2,067	(35,000)	-	-
<b>FUND BALANCES - END OF YEAR - page 3</b>	<b>\$ 251,783</b>	<b>\$ 72,512</b>	<b>\$ 320,142</b>	<b>\$ 26,626</b>	<b>\$ 671,063</b>	<b>\$ 399,572</b>

See notes to financial statements



**WESTERN CANADA WILDERNESS COMMITTEE**  
**Statement of Operations**  
**Year Ended April 30, 2018**

	General Fund	Capital Fund	Restricted Environmental Fund	2018	2017 (Note 9)
<b>REVENUE</b>					
Contributions	\$ 2,403,568	\$ -	\$ 28,117	\$ 2,431,685	\$ 2,000,861
Grants	36,713	-	63,550	100,263	127,318
Sales of educational materials	60,877	-	-	60,877	51,189
Miscellaneous	15,238	-	-	15,238	11,862
Membership dues	-	-	-	-	143,519
	<u>2,516,396</u>	<u>-</u>	<u>91,667</u>	<u>2,608,063</u>	<u>2,334,749</u>
<b>EXPENSES</b>					
Projects and education (Note 6)	1,235,025	-	42,990	1,278,015	1,350,146
Canvassing and fundraising costs (Note 6)	682,900	-	2,401	685,301	506,452
Administration costs (Note 6)	263,761	-	8,105	271,866	296,711
Sales costs (Note 6)	83,617	-	2,623	86,240	41,131
Amortization	-	14,512	-	14,512	18,257
Membership costs (Note 6)	638	-	-	638	157,706
	<u>2,265,941</u>	<u>14,512</u>	<u>56,119</u>	<u>2,336,572</u>	<u>2,370,403</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES - page 4</b>	<u>\$ 250,455</u>	<u>\$ (14,512)</u>	<u>\$ 35,548</u>	<u>\$ 271,491</u>	<u>\$ (35,654)</u>

See notes to financial statements



**WESTERN CANADA WILDERNESS COMMITTEE**

**Statement of Cash Flows**

**Year Ended April 30, 2018**

	2018	2017 <i>(Note 9)</i>
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses - page 5	\$ 271,491	\$ (35,654)
Item not affecting cash:		
Amortization	<u>14,512</u>	<u>18,257</u>
	<u>286,003</u>	<u>(17,397)</u>
Changes in non-cash working capital:		
Accounts receivable	11,165	(11,126)
Interest receivable	-	921
Recoverable from government authorities - GST	5,928	11,428
Prepaid expenses	(956)	(1,274)
Inventory	4,722	(5,725)
Accounts payable and accrued liabilities	33,256	33,052
Payable to government authorities - source deductions	<u>-</u>	<u>(23,054)</u>
	<u>54,115</u>	<u>4,222</u>
Cash flow from (used by) operating activities	<u>340,118</u>	<u>(13,175)</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(69,627)	(2,052)
Increase in restricted investment	<u>(2,067)</u>	<u>(3,002)</u>
Cash flow used by investing activities	<u>(71,694)</u>	<u>(5,054)</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>268,424</b>	<b>(18,229)</b>
Cash - beginning of year	<u>62,083</u>	<u>80,312</u>
<b>CASH - END OF YEAR</b>	<b>\$ 330,507</b>	<b>\$ 62,083</b>
<b>CASH CONSISTS OF:</b>		
Unrestricted cash	\$ 303,881	\$ 46,015
Externally restricted cash	<u>26,626</u>	<u>16,068</u>
	<u>\$ 330,507</u>	<u>\$ 62,083</u>

See notes to financial statements





## WESTERN CANADA WILDERNESS COMMITTEE

### Notes to Financial Statements

Year Ended April 30, 2018

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#### 1. NATURE AND PURPOSE OF THE ORGANIZATION

The Western Canada Wilderness Committee (the "Committee"), founded in 1980, is a not-for-profit organization working for the preservation and protection of Canadian and International Wilderness areas through research and education. The Committee operates its head office in Vancouver, with a chapter in Qualicum Beach, British Columbia and branches in Victoria, Winnipeg and Toronto. Funding for campaigns and operations is raised through donations, grants, and retail mail order and wholesale sales of educational publications and products.

The Committee is incorporated under the Societies Act of British Columbia and is a registered charity under the Income Tax Act, and as such is exempt from income taxes.

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#### 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").

##### Fund accounting

The Committee follows the restricted fund method of accounting for contributions.

The General Fund accounts for the Committee's program delivery and administrative activities. This fund reports all unrestricted resources.

The Capital Fund reports the internally restricted assets and expenses related to the Committee's capital assets.

The Internally Restricted Reserve Fund reports the assets, liabilities, and expenses relating to the reserve set aside by the Committee for unexpected financial needs and program expansions.

The Restricted Environmental Fund reports certain externally restricted grants received by the Committee to be used for designated purposes, primarily related to specific environmental or education issues, and the related expenses.

##### Revenue recognition

Restricted contributions and grants related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions and grants are recognized as revenue of the appropriate restricted fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions and grants are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from sales of educational materials is recognized when invoiced, which typically coincides with shipment of the related goods.

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## WESTERN CANADA WILDERNESS COMMITTEE

### Notes to Financial Statements

Year Ended April 30, 2018

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

##### Cash and cash equivalents

Any term deposits or similar contractual instruments that are cashable and have a maturity term of three months or less are classified as cash equivalents.

##### Inventory

Inventory consists of finished goods and is valued at the lower of cost and net realizable value on a weighted average cost basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

##### Restricted investment

The restricted investment consists of a term deposit that is cashable with a maturity term of more than three months. The term deposit is redeemable, matures May 5, 2018 and has an interest rate of 0.65% (2017 - 0.65%). This investment has been classified as a long term asset as it is being held for long term future needs and it is management's intention to renew and reinvest the investment. Interest accrued on the investment has been presented separately as interest receivable.

##### Capital assets and amortization

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful life on a straight-line basis at the following rates:

Equipment	5 years	
Computer equipment	4 years	
Vehicles	3 years	
Website	3 years	
Leasehold improvements	5 years	based on the length of the lease

The Committee regularly reviews its capital assets to remove those no longer in use.

##### Contributed services and materials

Volunteers assist the Committee in carrying out its programs and operations. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Contributed materials or gifts-in-kind are only recognized when their fair value is reasonably determinable and significant, with such items recorded at fair value on the date of the contribution. During the year the Committee received non-cash gifts-in-kind of \$17,186 for publicly traded shares and a life insurance policy (2017 - \$36,039 consisting of publicly traded shares, life insurance policy, payroll program, and stamps).

##### 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 revenue and expenses during the period. Actual results could differ from these estimates. Material uncertainties involving management estimates include the write down of inventory and the allocation of expenses by function.

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## WESTERN CANADA WILDERNESS COMMITTEE

### Notes to Financial Statements

Year Ended April 30, 2018

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

##### Allocation of expenses

The Committee classifies its expenses by function. For each function, the Committee identifies the appropriate basis of allocating each component expense and applies that basis consistently each year. Salaries and benefits are allocated by staff time and all other expense are allocated by coding designated by management.

See *Note 6* for expense allocation amounts for the year by function.

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#### 3. CAPITAL ASSETS

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Equipment	\$ 15,230	\$ 14,826	\$ 404	\$ 605
Computer equipment	71,847	47,403	24,444	3,073
Vehicles	23,899	22,360	1,539	3,219
Website *	46,125	-	46,125	-
Leasehold improvements	52,498	52,498	-	10,500
	<u>\$ 209,599</u>	<u>\$ 137,087</u>	<u>\$ 72,512</u>	<u>\$ 17,397</u>

\* No amortization has been taken on the website as it is not yet in operational use.

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#### 4. CREDIT FACILITY

The Committee has a line of credit facility with CCEC Credit Union that can be drawn upon to a maximum of \$200,000 and bears interest at prime plus 1%. It is secured by the term deposit held by the Committee. As at April 30, 2018, the amount owing, which is due on demand, was \$NIL (2017 - \$NIL).

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#### 5. INTERFUND TRANSFERS

During the year, \$34,627 was transferred from the General Fund to the Capital Fund for the purchase of capital assets.

During the year, \$2,067 was transferred from the General Fund to the Internally Restricted Fund for interest earned on the investment.

During the year, \$35,000 was transferred from the Mountain Equipment Co-op Fund to the Capital Fund for the purchase of capital assets.

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WESTERN CANADA WILDERNESS COMMITTEE

Notes to Financial Statements

Year Ended April 30, 2018

6. ALLOCATION OF EXPENSES

Expenses of \$1,278,015 (2017 - \$1,350,146) have been allocated as follows:

	2018	2017 (Note 9)
<b>Projects and education</b>		
Salaries and benefits	\$ 684,641	\$ 752,517
Canvass remuneration	198,767	162,872
Rent	77,883	37,998
Postage	44,052	61,176
Field program	31,533	8,894
Printing	30,391	22,550
Bank charges and interest	28,907	13,837
Information technology	21,127	1,117
Equipment rental and lease	16,510	2,435
Travel	15,637	20,883
Consulting and research	14,770	37,903
Telephone communication	12,669	15,628
Supplies	12,424	24,805
Audit and accounting	12,300	10,850
Meeting costs	11,888	7,899
Vehicle	9,049	1,741
Online communication	8,687	27,191
Events	8,234	488
Insurance	7,999	11,381
Utilities	6,774	7,906
Photos and artwork	5,031	49,356
Staff recruitment and training	3,691	1,891
Gasoline	3,452	6,369
Premises repairs and maintenance	3,148	5,679
Mileage	3,145	6,703
Video and film	1,707	-
Advertising and promotions	1,620	3,057
Contractors	561	41,595
Volunteer	475	1,658
Tabling and booths	318	2,824
Calendars	225	-
Legal	165	25
Memberships, subscriptions and fees	140	1,433
Courier	78	1,614
Equipment repairs and maintenance	17	1,167
Cost of goods sold	-	(3,296)
	<u>\$ 1,278,015</u>	<u>\$ 1,350,146</u>

(continues)





WESTERN CANADA WILDERNESS COMMITTEE

Notes to Financial Statements

Year Ended April 30, 2018

6. ALLOCATION OF EXPENSES *(continued)*

Expenses of \$685,301 (2017 - \$506,452) have been allocated as follows:

	2018	2017 <i>(Note 9)</i>
<b>Canvassing and fundraising</b>		
Salaries and benefits	\$ 346,656	\$ 226,825
Canvass remuneration	198,766	182,614
Rent	33,490	17,419
Postage	27,748	17,090
Travel	17,641	2,672
Information technology	12,335	-
Insurance	7,999	5,257
Vehicle	6,346	1,697
Gasoline	5,499	2,504
Telephone communication	5,386	2,049
Supplies	4,498	7,812
Courier	3,725	1,982
Advertising and promotions	3,493	3,699
Printing	3,215	1,387
Utilities	2,411	1,347
Staff recruitment and training	1,800	398
Mileage	1,442	552
Premises repairs and maintenance	1,048	906
Meeting costs	643	1,865
Tabling and booths	641	969
Photos and art work	361	-
Legal	105	2,430
Online communication	50	3,455
Bank charges and interest	3	11
Contractors	-	20,854
Memberships, subscriptions and fees	-	658
	<u>\$ 685,301</u>	<u>\$ 506,452</u>

*(continues)*



WESTERN CANADA WILDERNESS COMMITTEE  
Notes to Financial Statements  
Year Ended April 30, 2018

6. ALLOCATION OF EXPENSES (continued)

Expenses of \$271,866 (2017 - \$296,711) have been allocated as follows:

	2018	2017 (Note 9)
<b>Administration costs</b>		
Salaries and benefits	\$ 185,163	\$ 157,234
Rent	18,952	64,302
Information technology	18,765	1,197
Supplies	11,033	5,740
Insurance	6,159	16,283
Audit and accounting	5,554	5,444
Premises repair and maintenance	5,512	2,001
Meeting costs	5,237	2,804
Consulting and research	3,075	1,538
Postage	1,976	619
Utilities	1,855	1,358
Telephone communication	1,793	2,044
Memberships, subscriptions and fees	1,463	892
Gasoline	1,420	400
Printing	1,194	826
Mileage	1,126	143
Travel	609	1,433
Staff recruitment and training	530	-
Legal	349	1,850
Courier	41	19
Bank charges and interest	41	12,568
Volunteer cost	19	38
Contractors	-	14,440
Online communication	-	1,878
Equipment repairs and maintenance	-	1,112
Business licence and fees	-	329
Bad debts	-	219
	<u>\$ 271,866</u>	<u>\$ 296,711</u>

(continues)



**WESTERN CANADA WILDERNESS COMMITTEE**  
**Notes to Financial Statements**  
**Year Ended April 30, 2018**

6. ALLOCATION OF EXPENSES *(continued)*

Expenses of \$86,240 (2017 - \$41,131) have been allocated as follows:

	2018	2017 <i>(Note 9)</i>
<b>Sales costs</b>		
Calendars	\$ 32,912	\$ -
Salaries and benefits	27,162	28,528
Postage	10,613	5,111
Cost of goods sold	4,393	(742)
Information technology	4,085	-
Rent	2,601	4,574
Advertising and promotions	1,300	167
Supplies	1,076	120
Contractors	890	-
Tabling and booths	364	(33)
Telephone communication	297	189
Online communication	252	2,081
Utilities	245	145
Premises repairs and maintenance	103	207
Courier	8	102
Events	(61)	-
Photos and art work	-	653
Travel	-	29
	<u>\$ 86,240</u>	<u>\$ 41,131</u>

Expenses of \$638 (2017 - \$157,706) have been allocated as follows:

	2018	2017 <i>(Note 9)</i>
<b>Membership</b>		
Salaries and benefits	\$ 638	\$ 47,547
Printing expense	-	26,301
Calendars	-	80,366
Rent	-	1,014
Online communication	-	751
Meeting costs	-	524
Legal	-	515
Postage	-	392
Utilities	-	98
Premises repairs and maintenance	-	77
Telephone communication	-	74
Travel	-	24
Photos and art work	-	23
	<u>\$ 638</u>	<u>\$ 157,706</u>



## WESTERN CANADA WILDERNESS COMMITTEE

### Notes to Financial Statements

Year Ended April 30, 2018

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#### 7. LEASE COMMITMENTS

The Committee has leases with respect to premises and office equipment. The premises leases expire on various dates up to March 31, 2020. The office equipment leases expire on various dates up to April 30, 2021.

Future minimum lease payments for the next three years are as follows:

2019	\$	84,245
2020		32,322
2021		12,352

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#### 8. FINANCIAL INSTRUMENTS

All financial instruments are initially recorded at their fair market value. Publicly traded equity instruments quoted in an active market are subsequently measured at fair value with any unrealized gains or losses and transaction costs recognized in net excess of revenue over expenses. In current year, there is no instrument in an active market. All other financial instruments are adjusted for any transaction costs incurred on acquisition and are subsequently measured at their amortized cost. Financial instrument impairments and impairment reversals are recognized when incurred in net excess of revenue over expenses.

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#### 9. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation. Specifically, the revenue and expense groupings have been changed to match the new presentation format of the Statement of Operations. Also, the prior year prepaid expenses and accounts payable have increased for the portion of prepaid insurance owing at year end previously not captured.

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**WESTERN CANADA WILDERNESS COMMITTEE**  
**Notes to Financial Statements**  
**Year Ended April 30, 2018**

10. RESTRICTED FUNDS	Opening Balance	Contributions	Expenses	Interfund transfers (Note 5)	Closing Balance
<b>Externally Restricted Funds</b>					
Gwen Barlee Memorial Fund	\$ -	\$ 28,117	\$ 12,019	\$ -	\$ 16,098
Tides Foundation	14,378	-	5,909	-	8,469
Winnipeg Foundation	9,871	-	7,812	-	2,059
Glasswaters	-	27,000	27,000	-	-
Mountain Equipment Co-op	2,379	35,000	2,379	(35,000)	-
Clayoquot Biosphere Trust Society	-	1,000	1,000	-	-
Other	(550)	550	-	-	-
	<u>\$ 26,078</u>	<u>\$ 91,667</u>	<u>\$ 56,119</u>	<u>\$ (35,000)</u>	<u>\$ 26,626</u>
<b>Internally Restricted Reserve Fund</b>	<u>\$ 318,075</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,067</u>	<u>\$ 320,142</u>

See notes to financial statements

