

**WESTERN CANADA WILDERNESS COMMITTEE**

**Financial Statements**

**April 30, 2019**

**WESTERN CANADA WILDERNESS COMMITTEE**

**Index to Financial Statements**

**Year Ended April 30, 2019**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Western Canada Wilderness Committee

*Report on the Financial Statements*

*Opinion*

We have audited the financial statements of Western Canada Wilderness Committee (the "Committee"), which comprise the statement of financial position as at April 30, 2019, and the statements of changes in fund balances, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Committee as at April 30, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Committee in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Report on Other Legal and Regulatory Requirements*

As required by the British Columbia Societies Act, we report that, in our opinion, the Society's financial statements have been prepared following Canadian accounting standards for not-for-profit organizations.

*Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Committee's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Committee or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Committee's financial reporting process.

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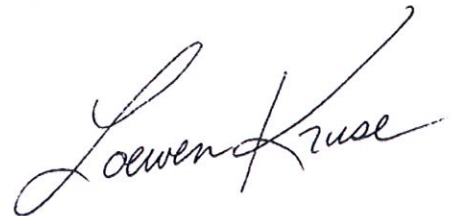
*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Committee's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Committee's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Committee to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Burnaby, British Columbia  
September 25, 2019



Chartered Professional Accountants

**WESTERN CANADA WILDERNESS COMMITTEE**  
**Statement of Financial Position**  
**April 30, 2019**

	General Fund	Capital Fund	Internally Restricted Reserve Fund	Restricted Environmental Fund	2019	2018
<b>ASSETS</b>						
<b>CURRENT</b>						
Cash	\$ 125,787	\$ -	\$ -	\$ 110,317	\$ 236,104	\$ 330,507
Accounts receivable	926	-	-	-	926	19
Interest receivable	2,066	-	-	-	2,066	2,039
Recoverable from government authorities - GST	23,754	-	-	-	23,754	17,637
Inventory	13,477	-	-	-	13,477	12,881
Prepaid expenses	35,926	-	-	-	35,926	42,184
	201,936	-	-	110,317	312,253	405,267
<b>RESTRICTED INVESTMENT</b>	-	-	322,223	-	322,223	320,142
<b>CAPITAL ASSETS (Note 3)</b>	-	86,928	-	-	86,928	72,512
	\$ 201,936	\$ 86,928	\$ 322,223	\$ 110,317	\$ 721,404	\$ 797,921
<b>LIABILITIES AND FUND BALANCES</b>						
<b>CURRENT</b>						
Accounts payable and accrued liabilities	\$ 137,226	\$ -	\$ -	\$ -	\$ 137,226	\$ 126,858
	64,710	-	-	-	64,710	251,783
Unrestricted	-	86,928	-	-	86,928	72,512
Internally restricted for capital assets	-	-	322,223	-	322,223	320,142
Externally restricted (Note 9)	-	-	-	110,317	110,317	26,626
	64,710	86,928	322,223	110,317	584,178	671,063
	\$ 201,936	\$ 86,928	\$ 322,223	\$ 110,317	\$ 721,404	\$ 797,921

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, 2019**

	General Fund	Capital Fund	Internally Restricted Reserve Fund	Restricted Environmental Fund	2019	2018
<b>FUND BALANCES - BEGINNING OF YEAR</b>	\$ 251,783	\$ 72,512	\$ 320,142	\$ 26,626	\$ 671,063	\$ 399,572
Excess (deficiency) of revenue over expenses - page 5	(181,996)	(26,666)	-	121,777	(86,885)	271,491
Interfund transfers (Note 5)	(5,077)	41,082	2,081	(38,086)	-	-
<b>FUND BALANCES - END OF YEAR</b>	\$ 64,710	\$ 86,928	\$ 322,223	\$ 110,317	\$ 584,178	\$ 671,063

See notes to financial statements

**WESTERN CANADA WILDERNESS COMMITTEE**  
**Statement of Operations**  
**Year Ended April 30, 2019**

	General Fund	Capital Fund	Restricted Environmental Fund	2019	2018
<b>REVENUE</b>					
Contributions	\$ 2,280,227	\$ -	\$ 156,371	\$ 2,436,598	\$ 2,431,685
Sales of educational materials	56,771	-	-	56,771	60,877
Grants	-	-	55,000	55,000	100,263
Miscellaneous	10,166	-	-	10,166	15,238
	<u>2,347,164</u>	<u>-</u>	<u>211,371</u>	<u>2,558,535</u>	<u>2,608,063</u>
<b>EXPENSES</b>					
Projects and education (Note 6)	1,334,228	-	89,594	1,423,822	1,265,715
Canvassing and fundraising costs (Note 6)	754,510	-	-	754,510	680,701
Administration costs (Note 6)	313,717	-	-	313,717	288,766
Sales costs (Note 6)	126,705	-	-	126,705	86,240
Amortization	-	25,126	-	25,126	14,512
Membership costs	-	-	-	-	638
	<u>2,529,160</u>	<u>25,126</u>	<u>89,594</u>	<u>2,643,880</u>	<u>2,336,572</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS</b>	(181,996)	(25,126)	121,777	(85,345)	271,491
<b>OTHER EXPENSE</b>					
Loss on disposal of capital assets	-	1,540	-	1,540	-
	<u>\$ (181,996)</u>	<u>\$ (26,666)</u>	<u>\$ 121,777</u>	<u>\$ (86,885)</u>	<u>\$ 271,491</u>

See notes to financial statements

**WESTERN CANADA WILDERNESS COMMITTEE****Statement of Cash Flows****Year Ended April 30, 2019**

	2019	2018
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses - page 5	\$ (86,885)	\$ 271,491
Items not affecting cash:		
Amortization	25,126	14,512
Loss on disposal of capital assets	1,540	-
	<u>(60,219)</u>	<u>286,003</u>
Changes in non-cash working capital:		
Accounts receivable	(907)	11,165
Interest receivable	(27)	-
Recoverable from government authorities - GST	(6,117)	5,928
Inventory	(596)	4,722
Prepaid expenses	6,258	(956)
Accounts payable and accrued liabilities	10,368	33,256
	<u>8,979</u>	<u>54,115</u>
Cash flow from (used by) operating activities	<u>(51,240)</u>	<u>340,118</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(41,082)	(69,627)
Increase in restricted investment	(2,081)	(2,067)
Cash flow used by investing activities	<u>(43,163)</u>	<u>(71,694)</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(94,403)</b>	<b>268,424</b>
Cash - beginning of year	<u>330,507</u>	<u>62,083</u>
<b>CASH - END OF YEAR</b>	<b>\$ 236,104</b>	<b>\$ 330,507</b>
<b>CASH CONSISTS OF:</b>		
Unrestricted cash	\$ 125,787	\$ 303,881
Externally restricted cash	110,317	26,626
	<u>\$ 236,104</u>	<u>\$ 330,507</u>

See notes to financial statements



# WESTERN CANADA WILDERNESS COMMITTEE

## Notes to Financial Statements

Year Ended April 30, 2019

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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 contributions, 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, 2019

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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 with a maturity term of more than three months. The term deposit is redeemable, matures May 5, 2019 and has an interest rate of 0.65% (2018 - 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 \$137,051 of publicly traded shares, office supplies, stamps, and a life insurance policy (2018 - \$17,186 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, 2019

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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 management's knowledge of staffing positions and time spent on work performed. All other expenses are allocated by coding designations made by employees and approved by management.

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

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### 3. CAPITAL ASSETS

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Equipment	\$ 18,212	\$ 15,624	\$ 2,588	\$ 404
Computer equipment	74,954	53,835	21,119	24,444
Vehicles	36,817	24,846	11,971	1,539
Website	61,500	10,250	51,250	46,125
Leasehold improvements	52,498	52,498	-	-
	<u>\$ 243,981</u>	<u>\$ 157,053</u>	<u>\$ 86,928</u>	<u>\$ 72,512</u>

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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% per annum. It is secured by the term deposit held by the Committee at a carrying value of \$322,223. As at April 30, 2019, the amount owing, which is due on demand, was \$NIL (2018 - \$NIL).

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### 5. INTERFUND TRANSFERS

During the year, \$41,082 was transferred from the General Fund to the Capital Fund for the purchase of capital assets.

During the year, \$2,081 was transferred from the General Fund to the Internally Restricted Fund for interest earned on the investment.

During the year, \$27,672 was transferred from the externally restricted Gwen Barlee Memorial Fund in the Restricted Environmental Fund to the General Fund per management's estimate of the of general overhead expenses incurred related to restricted programs.

During the year, \$414 was transferred from the externally restricted Tides Foundation Fund in the Restricted Environmental Fund to the General Fund per management's estimate of the of general overhead expenses incurred related to restricted programs.

During the year, \$10,000 was transferred from the externally restricted Winnipeg Foundation Fund in the Restricted Environmental Fund to the General Fund to repay the amount that was transferred in the prior year to cover the net deficiency in the fund.

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**WESTERN CANADA WILDERNESS COMMITTEE****Notes to Financial Statements****Year Ended April 30, 2019****6. ALLOCATION OF EXPENSES**

Expenses of \$1,423,822 (2018 - \$1,265,715) have been allocated as follows:

	<u>2019</u>	<u>2018</u>
<b>Projects and education</b>		
Salaries and benefits	\$ 793,138	\$ 684,641
Canvass remuneration	203,606	198,767
Rent	85,027	77,883
Postage	46,794	44,052
Consulting and research	41,226	14,770
Printing	37,995	30,391
Bank charges and interest	24,652	28,907
Information technology	21,275	21,127
Video and film	20,602	1,707
Equipment rental and lease	17,898	16,510
Travel	15,044	15,637
Supplies	13,333	12,424
Telephone communication	12,611	12,669
Vehicle	12,587	9,049
Field program	12,217	31,533
Online communication	11,475	8,687
Insurance	8,420	7,999
Events	7,597	8,234
Gasoline	7,352	3,452
Utilities	6,965	6,774
Mileage	5,221	3,145
Legal	4,375	165
Meeting costs	4,329	11,888
Premises repairs and maintenance	3,216	3,148
Photos and artwork	2,962	5,031
Advertising and promotions	1,575	1,620
Tabling and booths	727	318
Volunteer	438	475
Staff recruitment and training	417	3,691
Equipment repairs and maintenance	409	17
Memberships, subscriptions and fees	339	140
Calendars	-	225
Contractors	-	561
Courier	-	78
	<u>\$ 1,423,822</u>	<u>\$ 1,265,715</u>

*(continues)*

**WESTERN CANADA WILDERNESS COMMITTEE****Notes to Financial Statements****Year Ended April 30, 2019**6. ALLOCATION OF EXPENSES *(continued)*

Expenses of \$754,510 (2018 - \$680,701) have been allocated as follows:

	<u>2019</u>	<u>2018</u>
<b>Canvassing and fundraising</b>		
Salaries and benefits	\$ 369,878	\$ 346,656
Canvass remuneration	203,606	198,766
Rent	37,079	33,490
Consulting and research	27,944	-
Postage	25,769	23,148
Travel	16,460	17,641
Vehicle	10,864	6,346
Information technology	10,613	12,335
Supplies	10,074	4,498
Insurance	8,475	7,999
Advertising and promotions	7,348	3,493
Telephone communication	6,154	5,386
Gasoline	5,347	5,499
Courier	3,996	3,725
Utilities	2,480	2,411
Printing	2,298	3,215
Staff recruitment and training	2,221	1,800
Mileage	1,069	1,442
Premises repairs and maintenance	1,054	1,048
Meeting costs	944	643
Bank charges and interest	529	3
Tabling and booths	308	641
Legal	-	105
Online communication	-	50
Photos and art work	-	361
	<u>\$ 754,510</u>	<u>\$ 680,701</u>

*(continues)*

**WESTERN CANADA WILDERNESS COMMITTEE****Notes to Financial Statements****Year Ended April 30, 2019**6. ALLOCATION OF EXPENSES *(continued)*

Expenses of \$313,717 (2018 - \$288,766) have been allocated as follows:

	<u>2019</u>	<u>2018</u>
<b>Administration costs</b>		
Salaries and benefits	\$ 201,067	\$ 185,163
Rent	21,136	18,952
Information technology	19,885	18,765
Audit and accounting	17,132	17,854
Supplies	10,902	11,033
Premises repair and maintenance	8,214	5,512
Postage	7,821	6,576
Insurance	4,962	6,159
Staff recruitment and training	4,182	530
Consulting and research	4,100	3,075
Meeting costs	3,870	5,237
Memberships, subscriptions and fees	1,974	1,463
Utilities	1,929	1,855
Telephone communication	1,553	1,793
Events	1,189	-
Printing	854	1,194
Gasoline	686	1,420
Bank charges and interest	591	41
Mileage	511	1,126
Travel	352	609
Equipment repairs and maintenance	341	-
Photos and art work	205	-
Courier	122	41
Volunteer cost	99	19
Legal	40	349
	<u>\$ 313,717</u>	<u>\$ 288,766</u>

*(continues)*

## WESTERN CANADA WILDERNESS COMMITTEE

### Notes to Financial Statements

Year Ended April 30, 2019

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#### 6. ALLOCATION OF EXPENSES *(continued)*

Expenses of \$126,705 (2018 - \$86,240) have been allocated as follows:

	2019	2018
<b>Sales costs</b>		
Salaries and benefits	\$ 52,726	\$ 27,162
Cost of inventory sold	48,093	37,305
Information technology	8,600	4,085
Postage	8,120	10,613
Rent	2,870	2,601
Supplies	2,709	1,076
Advertising and promotions	1,486	1,300
Online communication	1,476	252
Telephone communication	268	297
Utilities	252	-
Premises repairs and maintenance	105	103
Contractors	-	890
Tabling and booths	-	364
Utilities	-	245
Courier	-	8
Events	-	(61)
	<u>\$ 126,705</u>	<u>\$ 86,240</u>

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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 January 31, 2024. The office equipment leases expire on various dates up to October 31, 2020.

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

2020	\$ 101,909
2021	85,115
2022	58,125
2023	60,625
2024	46,875

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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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**WESTERN CANADA WILDERNESS COMMITTEE**  
**Notes to Financial Statements**  
**Year Ended April 30, 2019**

**9. RESTRICTED FUNDS**

	Opening Balance	Contributions and Grants	Expenses	Interfund Transfers (Note 5)	Closing Balance
<b>Restricted Environmental Fund</b>					
Gwen Barlee Memorial Fund	\$ 16,098	\$ 156,371	\$ 75,105	\$ (27,672)	\$ 69,692
W. Garfield Weston Foundation	-	45,000	4,375	-	40,625
Tides Foundation	8,469	-	8,055	(414)	-
Winnipeg Foundation	2,059	10,000	2,059	(10,000)	-
	<u>\$ 26,626</u>	<u>\$ 211,371</u>	<u>\$ 89,594</u>	<u>\$ (38,086)</u>	<u>\$ 110,317</u>
<b>Internally Restricted Reserve Fund</b>					
	<u>\$ 320,142</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,081</u>	<u>\$ 322,223</u>

See notes to financial statements