

**WILDLIFE REHABILITATION SOCIETY
OF EDMONTON**

Financial Statements

Year Ended December 31, 2015

WILDLIFE REHABILITATION SOCIETY OF EDMONTON
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Year Ended December 31, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Wildlife Rehabilitation Society of Edmonton

Report on the Financial Statements

We have audited the accompanying financial statements of Wildlife Rehabilitation Society of Edmonton, which comprise the statement of financial position as at December 31, 2015 and the statements of operations, 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.

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 Society derives revenue from donations and fundraising, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to operations, assets and net assets.

Qualified Opinion

In our opinion, except for the effect of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2015 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.

Edmonton, Alberta
March 23, 2016



CHARTERED ACCOUNTANTS

WILDLIFE REHABILITATION SOCIETY OF EDMONTON**Statement of Financial Position****December 31, 2015**

	2015	2014
ASSETS		
CURRENT		
Cash (Note 3)	\$ 112,481	\$ 189,402
Term deposit (Note 3)	-	41,624
Accounts receivable	2,219	4,497
Prepaid expenses	1,663	1,606
	<u>116,363</u>	<u>237,129</u>
PROPERTY AND EQUIPMENT (Note 4)	<u>772,642</u>	<u>839,086</u>
	<u>\$ 889,005</u>	<u>\$ 1,076,215</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities (Note 5)	\$ 27,455	\$ 33,852
Deferred contributions (Note 6)	6,796	98,645
	<u>34,251</u>	<u>132,497</u>
DEFERRED CONTRIBUTIONS RELATED TO PROPERTY AND EQUIPMENT (Note 7)	<u>756,594</u>	<u>820,235</u>
	<u>790,845</u>	<u>952,732</u>
NET ASSETS		
Invested in property and equipment	16,048	18,851
Unrestricted	82,112	104,632
	<u>98,160</u>	<u>123,483</u>
	<u>\$ 889,005</u>	<u>\$ 1,076,215</u>
COMMITMENT (Note 8)		

APPROVED BY THE BOARD

 Director

 Director

WILDLIFE REHABILITATION SOCIETY OF EDMONTON**Statement of Operations****Year Ended December 31, 2015**

	2015	2014
REVENUE		
Grants (Note 9)	\$ 213,254	\$ 127,627
Donations	127,934	104,468
Amortization of contributions related to property and equipment	88,229	66,497
Casino	42,264	32,288
Fundraising	28,566	29,876
Fee for service	1,139	4,799
Interest income	419	2,144
	501,805	367,699
EXPENSES		
Salaries and benefits	311,121	332,763
Amortization	64,362	67,694
Utilities	32,435	35,109
Patient care	27,640	36,017
Repairs and maintenance	18,695	22,725
Communication and fundraising	13,607	5,525
Consulting fees	11,820	7,609
Insurance	11,728	11,591
Administration	11,688	12,763
Professional fees	7,225	5,725
Vehicle	6,499	7,106
Telephone	4,105	6,018
Volunteers	2,520	4,477
Loss on disposal of equipment	2,083	1,428
Education programs	1,173	1,451
Professional development	377	1,898
Rent	50	-
Bad debts	-	243
	527,128	560,142
REVENUE UNDER EXPENSES	\$ (25,323)	\$ (192,443)

WILDLIFE REHABILITATION SOCIETY OF EDMONTON**Statement of Changes in Net Assets****Year Ended December 31, 2015**

	Invested in Property and Equipment	Unrestricted	2015	2014
NET ASSETS - BEGINNING OF YEAR	\$ 18,851	\$ 104,632	\$ 123,483	\$ 315,926
Revenue under expenses	(2,803)	(22,520)	(25,323)	(192,443)
NET ASSETS - END OF YEAR	\$ 16,048	\$ 82,112	\$ 98,160	\$ 123,483

WILDLIFE REHABILITATION SOCIETY OF EDMONTON**Statement of Cash Flows****Year Ended December 31, 2015**

	2015	2014
OPERATING ACTIVITIES		
Revenue under expenses	\$ (25,323)	\$ (192,443)
Items not affecting cash:		
Amortization	64,362	67,694
Amortization of contributions related to property and equipment	(88,229)	(66,497)
Loss on disposal of equipment	2,083	1,428
	<u>(47,107)</u>	<u>(189,818)</u>
Changes in non-cash working capital:		
Accounts receivable	2,278	17,169
Prepaid expenses	(57)	(83)
Accounts payable and accrued liabilities	(6,398)	14,178
Deferred contributions	(91,849)	(57,699)
	<u>(96,026)</u>	<u>(26,435)</u>
	<u>(143,133)</u>	<u>(216,253)</u>
INVESTING ACTIVITY		
Purchase of property and equipment	-	(59,482)
FINANCING ACTIVITY		
Receipt of deferred contributions related to property and equipment	24,588	50,412
DECREASE IN CASH AND TERM DEPOSIT	(118,545)	(225,323)
Cash and term deposit - beginning of year	231,026	456,349
CASH AND TERM DEPOSIT - END OF YEAR	\$ 112,481	\$ 231,026
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	\$ 419	\$ 2,144
CASH AND TERM DEPOSIT CONSISTS OF:		
Cash	\$ 112,481	\$ 189,402
Term deposit	-	41,624
	<u>\$ 112,481</u>	<u>\$ 231,026</u>

WILDLIFE REHABILITATION SOCIETY OF EDMONTON

Notes to Financial Statements

Year Ended December 31, 2015

1. NATURE OF OPERATIONS

The Wildlife Rehabilitation Society of Edmonton "the Society" is a registered charity incorporated under the Societies Act (Alberta). The Society provides medical care and rehabilitation for injured and orphaned wildlife and promotes understanding and respect for wildlife through education.

As a registered charity, the Society is exempt from income taxes under the provisions of the Canadian Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Cash

Cash is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the reporting date.

Property and equipment

Property and equipment are stated at cost less accumulated amortization. Property and equipment are amortized over their estimated useful lives using the following rates and methods:

Trailers	4%	declining balance method
Outdoor enclosures	4%	declining balance method
Road and parking lot	8%	declining balance method
Equipment	20%	declining balance method
Automotive	30%	declining balance method
Leasehold improvements	4 years	straight-line method

Revenue recognition

The Society follows the deferral method for accounting for contributions. Contributions, including operating grants, are included in revenue in the year in which they are received or receivable, with the exception that contributions to fund a specific future period's expenses are included in revenue of that later period.

Grants received for the acquisition of property and equipment are deferred and amortized to revenue on the same basis as the related property and equipment purchased.

Fee for service is recognized as services are performed and collection is reasonably assured at the time of performance.

(continues)

WILDLIFE REHABILITATION SOCIETY OF EDMONTON

Notes to Financial Statements

Year Ended December 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Contributed materials and services

Volunteers contribute time to assist the Society in carrying out its services. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements. Contributed goods are recognized when the fair market value is reasonably determined and a donation receipt is issued.

Financial instruments

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.

Use of estimates

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 amounts reported in the financial statements. Significant estimates include amortization, allowance for doubtful accounts, accrued liabilities, deferred contributions and deferred contributions related to property and equipment. By their nature, these estimates are subject to measurement uncertainty and actual results could differ.

3. RESTRICTED CASH

Cash includes \$6,796 (2014--\$49,056) in casino proceeds which can only be used in accordance with the licensing agreement with the Alberta Gaming and Liquor Commission.

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2015 Net book value	2014 Net book value
Trailers	\$ 371,693	\$ 97,606	\$ 274,087	\$ 285,507
Outdoor enclosures	412,976	64,281	348,695	363,224
Road and parking lot	122,586	41,008	81,578	88,672
Equipment	114,221	65,028	49,193	61,491
Automotive	53,722	49,693	4,029	7,839
Leasehold improvements	69,175	54,115	15,060	32,353
	<u>\$ 1,144,373</u>	<u>\$ 371,731</u>	<u>\$ 772,642</u>	<u>\$ 839,086</u>

WILDLIFE REHABILITATION SOCIETY OF EDMONTON

Notes to Financial Statements

Year Ended December 31, 2015

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities is the following government remittance:

	<u>2015</u>	<u>2014</u>
Payroll deductions	\$ -	\$ 1,064

6. DEFERRED CONTRIBUTIONS

A portion of the receipts received in the year are deferred to be recognized as revenue in future years as the related expenses are incurred. Unexpended balances are as follows:

	<u>2015</u>	<u>2014</u>
Casino	\$ 6,796	\$ 49,056
Edmonton Community Foundation	-	25,000
Community Facility Enhancement Program grant	-	24,589
	<u>\$ 6,796</u>	<u>\$ 98,645</u>

7. DEFERRED CONTRIBUTIONS RELATED TO PROPERTY AND EQUIPMENT

Deferred contributions related to property and equipment represent contributions received to fund the cost of property and equipment additions. The changes in the deferred contributions related to property and equipment balance for the year are as follows:

	<u>2015</u>	<u>2014</u>
Balance at beginning of year	\$ 820,235	\$ 836,320
Contributions - expended on equipment	<u>24,588</u>	<u>50,412</u>
	844,823	886,732
Less amounts amortized	<u>(88,229)</u>	<u>(66,497)</u>
	<u>\$ 756,594</u>	<u>\$ 820,235</u>

8. COMMITMENT

The Society has a facility lease. The lease expires March 2020 with annual lease payments of \$10.

WILDLIFE REHABILITATION SOCIETY OF EDMONTON**Notes to Financial Statements****Year Ended December 31, 2015****9. GRANTS**

	2015	2014
City of Edmonton:		
Community Investment Operating grant	\$ 17,000	\$ 17,000
Capital City Clean Up grant	20,000	15,000
Emergency grant	60,000	-
Edmonton Community Foundation:		
Eldon & Anne Foote Fund	20,000	20,000
Cunningham AnimalCare Fund	6,066	5,605
Anniversary grant	25,000	-
Government of Canada:		
Summer Career Placement Program	25,638	21,492
Environmental Damages Fund	13,050	41,430
Parkland County - operating grant	1,500	1,500
Cenovus grant	25,000	-
Alberta Wildlife Rehabilitator's Association	-	5,000
Other	-	600
	\$ 213,254	\$ 127,627

10. CHARITABLE FUNDRAISING ACT AND REGULATIONS DISCLOSURE

Included in salaries and benefits expense is \$5,000 (2014--\$5,000) of salary costs related to fundraising activities.

Amounts generated through fundraising were spent on operations.

WILDLIFE REHABILITATION SOCIETY OF EDMONTON

Notes to Financial Statements

Year Ended December 31, 2015

11. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities.

The Society is exposed to the following risks through its financial instruments:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Society's main credit risk relates to accounts receivable. Accounts receivable are generally amounts due from government agencies. It is management's opinion that there is no significant credit risk as of December 31, 2015.

Liquidity risk

Liquidity risk arises from the possibility that the Society might encounter difficulty in settling its debts or in meeting its obligations related to financial liabilities. It is management's opinion that there is no significant liquidity risk as of December 31, 2015.
