

ALBERTA LOW IMPACT DEVELOPMENT PARTNERSHIP SOCIETY

FINANCIAL STATEMENTS

December 31, 2015

ALBERTA LOW IMPACT DEVELOPMENT PARTNERSHIP SOCIETY

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INDEPENDENT AUDITOR'S REPORT

To the Members of Alberta Low Impact Development Partnership Society;

I have audited the accompanying financial statements of Alberta Low Impact Development Partnership Society, which comprise the statement of financial position as at December 31, 2015, and the statement 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 (ASNPO), 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Alberta Low Impact Development Partnership Society as at December 31, 2015, and its financial performance and its cash flows for the year ended December 31, 2015 in accordance with Canadian accounting standards for not-for-profit organizations.

Calgary, Alberta
April 18, 2016

Deborah V. Walker Professional Corporation
Chartered Professional Accountant, CGA

ALBERTA LOW IMPACT DEVELOPMENT PARTNERSHIP SOCIETY
STATEMENT OF FINANCIAL POSITION
December 31, 2015

| | <u>2015</u> | <u>2014</u> |
|--|-------------------|-------------------|
| ASSETS | | |
| CURRENT | | |
| Cash | \$ 38,816 | \$ 57,867 |
| Restricted cash (Note 3) | 100,000 | 100,000 |
| Accounts receivable | 19,700 | 29,952 |
| Prepaid expenses | <u>707</u> | <u>469</u> |
| | 159,223 | 188,288 |
| CAPITAL ASSETS (Note 4) | <u>15,650</u> | <u>10,747</u> |
| | <u>\$ 174,873</u> | <u>\$ 199,035</u> |
| LIABILITIES | | |
| CURRENT | | |
| Accounts payable and accrued liabilities | \$ 9,732 | \$ 15,826 |
| Goods and services tax payable | <u>435</u> | <u>1,605</u> |
| | <u>10,167</u> | <u>17,431</u> |
| NET ASSETS | | |
| Invested in property and equipment | 15,650 | 10,747 |
| Restricted net assets | 100,000 | 100,000 |
| Unrestricted net assets | <u>49,056</u> | <u>70,857</u> |
| | <u>164,706</u> | <u>181,604</u> |
| | <u>\$ 174,873</u> | <u>\$ 199,035</u> |

Approved by the Directors:

_____, Director

_____, Director

ALBERTA LOW IMPACT DEVELOPMENT PARTNERSHIP SOCIETY
STATEMENT OF OPERATIONS
For the year ended December 31, 2015

| | <u>2015</u> | <u>2014</u> |
|---|--------------------|------------------|
| REVENUE | | |
| Events and courses | \$ 96,954 | \$ 120,592 |
| Memberships | 44,365 | 49,297 |
| Projects | 25,070 | 14,141 |
| Sponsorships | 8,194 | - |
| Grants | - | 2,000 |
| | <u>174,583</u> | <u>186,030</u> |
| OPERATION EXPENSES | | |
| Consulting and logistic fees | 65,815 | 55,631 |
| Venue costs | 28,881 | 43,892 |
| Speaker fees | 12,715 | 12,357 |
| Service fees | 6,397 | 6,475 |
| Advertising and promotion | 4,915 | 9 |
| Travel | 4,520 | 4,605 |
| Supplies | 2,356 | 5,685 |
| Equipment rentals | 1,468 | 355 |
| Registration fees | 90 | 493 |
| Scholarships | - | 500 |
| | <u>127,157</u> | <u>130,002</u> |
| GROSS PROFIT | <u>47,426</u> | <u>56,028</u> |
| ADMINISTRATIVE EXPENSES | | |
| Management fees | 31,143 | 26,529 |
| Amortization of tangible assets | 11,398 | 5,289 |
| Bad debts | 9,135 | - |
| Professional fees | 4,200 | 4,261 |
| Website | 3,522 | - |
| Memberships, dues and subscriptions | 1,616 | 1,436 |
| Insurance | 1,175 | 1,125 |
| Office expenses | 1,071 | 2,070 |
| Bank charges | 608 | 816 |
| Travel | 183 | 361 |
| Board costs | 144 | 389 |
| Professional development | 131 | 238 |
| Donations | - | 200 |
| | <u>64,326</u> | <u>42,714</u> |
| (DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES | <u>\$ (16,900)</u> | <u>\$ 13,314</u> |

ALBERTA LOW IMPACT DEVELOPMENT PARTNERSHIP SOCIETY
STATEMENT OF CHANGES IN NET ASSETS
For the year ended December 31, 2015

| NET ASSETS | <u>Invested in capital assets</u> | <u>Restricted</u> (Note 3) | <u>Unrestricted</u> | <u>Total 2015</u> | <u>Total 2014</u> |
|---|---------------------------------------|-------------------------------|-------------------------|--------------------------|--------------------------|
| Balance, beginning of year | \$ 10,747 | \$ 100,000 | \$ 70,859 | \$ 181,606 | \$ 168,292 |
| (Deficiency) of revenues over expenses | (11,398) | - | (5,502) | (16,900) | 13,314 |
| Transfer (Note 7) | <u>16,301</u> | <u>-</u> | <u>(16,301)</u> | <u>-</u> | <u>-</u> |
| Balance, end of year | <u>\$ 15,650</u> | <u>\$ 100,000</u> | <u>\$ 49,056</u> | <u>\$ 164,706</u> | <u>\$ 181,606</u> |

ALBERTA LOW IMPACT DEVELOPMENT PARTNERSHIP SOCIETY
STATEMENT OF CASH FLOWS
For the year ended December 31, 2015

| | <u>2015</u> | <u>2014</u> |
|--|--------------------------|--------------------------|
| OPERATING ACTIVITIES | | |
| Cash receipts from customers | \$ 175,700 | \$ 158,834 |
| Cash paid to suppliers and contractors | <u>(178,450)</u> | <u>(182,621)</u> |
| Cash flow from operating activities | <u>(2,750)</u> | <u>(23,787)</u> |
| INVESTING ACTIVITIES | | |
| Purchase of capital assets | <u>(16,301)</u> | <u>(8,374)</u> |
| DECREASE IN CASH | (19,051) | (32,161) |
| CASH, beginning of year | <u>157,867</u> | <u>190,028</u> |
| CASH, end of year | <u>\$ 138,816</u> | <u>\$ 157,867</u> |
| Represented by: | | |
| Cash | \$ 38,816 | \$ 57,867 |
| Restricted cash | <u>100,000</u> | <u>100,000</u> |
| | <u>\$ 138,816</u> | <u>\$ 157,867</u> |

ALBERTA LOW IMPACT DEVELOPMENT PARTNERSHIP SOCIETY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

1. PURPOSE OF THE ORGANIZATION

The Alberta Low Impact Development Partnership Society ("The Society") was formed to protect and maintain the integrity of the natural environment. The Society was registered under the Societies Act of Alberta on August 27, 2008, and thus is exempt from income tax under section 149(1) of the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the organization have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) on a going-concern basis that assumes that the organization will be able to realize its assets and discharge its liabilities in the normal course of business and include the following significant accounting policies:

- a) The Alberta Low Impact Development Partnership Society's revenue is recognized when the fees have been collected or when it can be reasonably determined and reasonably assured the revenue will be received. The Society recognizes restricted contributions in accordance with the deferral method.
- b) The Society records purchased capital assets at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided on a straight-line basis over the assets' estimated useful lives, which for website and computers is 3 years and for equipment 5 years.
- c) Volunteers contribute a significant amount of hours per year to assist the organization in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.
- d) 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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the impairment of assets and amortization rates. Actual results could differ from those reported.
- e) Cash and cash equivalents include amounts on deposit with financial institutions, both restricted and non-restricted cash.
- f) Financial assets and liabilities are measured initially at fair value, except for certain non-arm's length transactions. Subsequent measurement is at amortized cost. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost consist of cash, term deposits, accounts receivable.

Financial liabilities measured at amortized cost consist of the accounts payable and accrued liabilities.

ALBERTA LOW IMPACT DEVELOPMENT PARTNERSHIP SOCIETY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

- g) Financial assets measured at cost are tested for impairment when there are indications of impairment. The amount of the write-down is recognized in excess of revenues over expenses.

3. RESTRICTED NET ASSETS

The Alberta Low Impact Development Partnership Society created a reserve for a contingency fund to be used for future operating deficits or in case of unforeseen circumstances. Funds that have been restricted for this purpose are \$100,000 and requires board approval before use.

4. CAPITAL ASSETS

| | 2015 | | 2014 | |
|-------------------------|--------------|-------------------------------------|-------------|-------------------------------------|
| | <u>Cost</u> | <u>Accumulated Amortization</u> | <u>Cost</u> | <u>Accumulated Amortization</u> |
| Website | \$ 30,000 | \$ 18,333 | \$ 15,000 | \$ 8,333 |
| Furniture and equipment | 4,819 | 1,703 | 4,819 | 739 |
| Computer hardware | <u>2,095</u> | <u>1,228</u> | <u>794</u> | <u>794</u> |
| Net Book Value | | \$ 15,650 | | \$ 10,747 |

5. RELATED PARTY TRANSACTIONS

During the year no board members received speaker fees but in the prior year an amount totaling \$710 was paid which was in line with the rate paid to other external speakers.

6. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that there are no significant currency, credit or interest risks arising from these financial instruments. The fair value of the instruments approximates their carrying values, unless otherwise noted.

7. NET ASSET TRANSFERS

During the current year the board of directors transferred \$16,301 from unrestricted net assets to invested in net assets for the purchase of website, computer and equipment.