

BIOSPHERE INSTITUTE OF THE BOW VALLEY

Financial Statements

December 31, 2014

MANKTELOW & COMPANY
CHARTERED ACCOUNTANT *

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*denotes G.T. Manktelow Professional Corporation

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the Biosphere Institute of the Bow Valley

I have audited the accompanying financial statements of the Biosphere Institute of the Bow Valley, which comprise the statement of financial position as at December 31, 2014 and the statements of revenue, expenses and net assets and cash flows for the year then ended, and a summary of the 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

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 an 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 judgement, 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 principles 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 opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Biosphere Institute of the Bow Valley as at December 31, 2014 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Accountant

Banff, Alberta
May 28, 2015

BIOSPHERE INSTITUTE OF THE BOW VALLEY

Statement of Financial Position

December 31, 2014

	2014	2013
ASSETS		
Current		
Cash	\$ 125,844	\$ 116,084
Contributions receivable	29,895	20,275
	<u>\$ 155,739</u>	<u>\$ 136,359</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 10,913	\$ 10,682
Employee deductions payable	4,267	3,620
Deferred contributions	47,054	50,252
	<u>62,234</u>	<u>64,554</u>
NET ASSETS		
Unrestricted	<u>93,505</u>	<u>71,805</u>
	<u>\$ 155,739</u>	<u>\$ 136,359</u>

Approved by the Board



Director

Director
MANKTELOW & COMPANY
CHARTERED ACCOUNTANT

BIOSPHERE INSTITUTE OF THE BOW VALLEY**Statement of Revenue, Expenses and Net Assets****Year Ended December 31, 2014**

	2014	2013
Revenue		
Grants	\$ 254,616	\$ 278,873
Donations	29,675	33,141
Other	1,469	947
	<u>285,760</u>	<u>312,961</u>
Expenses		
Advertising, events and promotions	3,623	2,871
Education, services and supplies	19,872	30,151
Insurance	2,079	1,860
Office	6,081	4,126
Other	2,850	1,814
Professional fees	9,745	10,508
Rent	10,001	10,035
Salaries and benefits	204,122	227,558
Telephone	2,565	2,681
Travel	3,122	1,082
	<u>264,060</u>	<u>292,686</u>
Excess of revenue over expenses for the year	\$ 21,700	\$ 20,275
Unrestricted net assets, beginning of the year	<u>71,805</u>	<u>51,530</u>
Unrestricted net assets, end of the year	<u>\$ 93,505</u>	<u>\$ 71,805</u>

BIOSPHERE INSTITUTE OF THE BOW VALLEY

Statement of Cash Flows

Year Ended December 31, 2014

	2014	2013
Cash flows from operating activities		
Excess of revenue over expenses	\$ 21,700	\$ 20,275
Changes in non-cash working capital:		
Contributions receivable	(9,620)	18,687
Accounts payable and accrued liabilities	231	(2,462)
Employee deductions payable	647	(5,902)
Deferred contributions	(3,198)	(26,921)
	(11,940)	(16,598)
	9,760	3,677
Increase in cash	9,760	3,677
Cash, beginning of the year	116,084	112,407
Cash, end of the year	\$ 125,844	\$ 116,084

BIOSPHERE INSTITUTE OF THE BOW VALLEY

Notes to Financial Statements

December 31, 2014

1. Purpose of the Organization

The Biosphere Institute of the Bow Valley is a regional organization dedicated to ensuring the ecological integrity of the Bow Valley for the well-being of the ecosystem and those who live here, through education, research and outreach. The Biosphere Institute of the Bow Valley is incorporated under the Alberta Societies Act as a not-for-profit organization and is a registered charity under the Income Tax Act.

2. Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, including the following significant accounting policies:

a) Revenue Recognition

The Biosphere Institute of the Bow Valley 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.

b) Property and equipment

Property and equipment assets are expensed on acquisition. During the year, the organization did not purchase any property and equipment.

c) Financial instruments

The organization's financial instruments consist of cash, contributions receivable and accounts payable and accrued liabilities. It is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

d) Use of Estimates

The preparation of financial statements in conformity with 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. Actual results could differ from those estimates.

e) Contributed Goods and Services

The work of the organization is dependant on the voluntary services of many individuals and organizations. Because of the difficulty of determining fair value, contributed services are not recognized in these financial statements.

3. Economic Dependence

The organization receives an annual grant from the Town of Canmore to assist with general operating costs. The organization is economically dependent on its agreement with the Town of Canmore to provide the current level of service.

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Notes to Financial Statements

December 31, 2014

4. Financial Risk

a) Credit risk

Credit risk associated with cash and contributions receivable arises from the possibility that parties may default on their financial obligations. The maximum exposure to credit risk is the carrying value of cash and contributions receivable. Cash is deposited with federally regulated, credit worthy financial institutions. Contributions receivable are primarily due from either local government or other funding agencies. There has been no change to the risk exposure from 2013.

b) Liquidity risk

Liquidity risk is the risk that the organization will not be able to meet its financial obligations on a timely basis. Revenue from operations funds the organization's cash requirements. A significant portion of the organization's revenue is received from the Town of Canmore, as described in Note 3. There has been no change to the risk exposure from 2013.

c) Currency risk

Currency risk arises from financial instruments, primarily cash, accounts receivable and accounts payable, denominated in a currency other than the Canadian dollar. The organization receives all of its funding, and pays for all of its operating costs, in Canadian currency so it has no exposure to foreign currency fluctuation. There has been no change to the risk exposure from 2013.

d) Interest rate risk

The organization maintains its cash balance in a non-interest bearing bank account and has no debt with financial institutions. As a result, the organization is exposed to minimal interest rate risk due to fluctuations in the commercial prime lending rate. There has been no change to the risk exposure from 2013.