

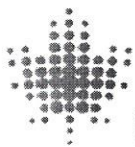
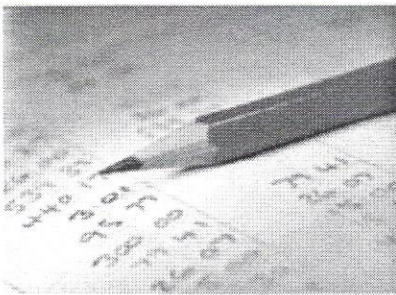
SYLVAIN & COMPANY

MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

Financial Statements

Year Ended March 31, 2016

(Unaudited)



CPA

CHARTERED
PROFESSIONAL
ACCOUNTANTS

MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

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Year Ended March 31, 2016

(Unaudited)

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SYLVAIN & COMPANY

Chartered Professional Accountants

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REVIEW ENGAGEMENT REPORT

To the Members of MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

We have reviewed the statement of financial position of MIGHTY PEACE WATERSHED ALLIANCE SOCIETY as at March 31, 2016 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the society.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Falher, AB
May 11, 2016


CHARTERED PROFESSIONAL ACCOUNTANTS

MIGHTY PEACE WATERSHED ALLIANCE SOCIETY**Statement of Financial Position****March 31, 2016***(Unaudited)*

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 172,242	\$ 163,233
Accounts receivable	7,326	-
Goods and services tax recoverable	3,371	4,396
Prepaid expenses	1,056	1,019
	183,995	168,648
PROPERTY, PLANT AND EQUIPMENT <i>(Note 4)</i>	3,229	4,325
	\$ 187,224	\$ 172,973
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 4,000	\$ 4,000
Short term debt	19	1,662
Deferred income	143,937	141,467
	147,956	147,129
NET ASSETS	39,268	25,844
	\$ 187,224	\$ 172,973

ON BEHALF OF THE BOARD *Richard S. Keith* Director

See notes to financial statements

SYLVAIN & COMPANY

MIGHTY PEACE WATERSHED ALLIANCE SOCIETY**Statement of Revenues and Expenditures****For the Year Ended March 31, 2016***(Unaudited)*

	2016	2015
REVENUE		
Alberta Environment Core Grant	\$ 203,445	\$ 230,606
Alberta Environment Project Funding	47,571	112,114
Stakeholder Contribution	14,813	3,000
Environmental Damages Fund	78,840	77,844
HCSB Hiring Credit	111	511
	344,780	424,075
EXPENSES		
Advertising and promotion	6,157	23,390
Employee benefits	2,217	1,413
GST expense	3,371	4,396
Honorariums	7,125	6,900
Insurance	1,997	938
Interest and bank charges	105	67
Meetings and conventions	2,872	1,460
Office	4,687	4,326
Printing and reproduction	94	15,787
Professional fees	4,270	5,095
Rent	1,821	827
Salaries and wages	29,352	16,554
Sub-contracts	214,866	234,621
Technical Project	-	51,139
Telephone	4,783	5,313
Training	5,667	1,466
Travel	41,008	48,042
	330,392	421,734
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	14,388	2,341
OTHER INCOME (EXPENSES)		
Amortization	(1,096)	(1,493)
Interest income	132	178
	(964)	(1,315)
EXCESS OF REVENUE OVER EXPENSES	\$ 13,424	\$ 1,026

MIGHTY PEACE WATERSHED ALLIANCE SOCIETY**Statement of Changes in Net Assets****Year Ended March 31, 2016***(Unaudited)*

	General Fund		Restricted Fund		2016		2015	
NET ASSETS - BEGINNING OF YEAR	\$	25,844	\$	-	\$	25,844	\$	24,818
Excess of revenue over expenses		13,424		-		13,424		1,026
NET ASSETS - END OF YEAR	\$	39,268	\$	-	\$	39,268	\$	25,844

See notes to financial statements

SYLVAIN & COMPANY

MIGHTY PEACE WATERSHED ALLIANCE SOCIETY**Statement of Cash Flow****Year Ended March 31, 2016***(Unaudited)*

	2016	2015
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 13,424	\$ 1,026
Item not affecting cash:		
Amortization of property, plant and equipment	1,096	1,493
	14,520	2,519
Changes in non-cash working capital:		
Accounts receivable	(7,326)	-
Accounts payable	-	1,500
Deferred income	2,470	133,167
Prepaid expenses	(37)	(1,019)
Goods and services tax payable	1,025	6,950
	(3,868)	140,598
Cash flow from operating activities	10,652	143,117
INVESTING ACTIVITY		
Decrease (Increase) in restricted cash	(2,470)	(133,167)
Cash flow used by investing activity	(2,470)	(133,167)
FINANCING ACTIVITY		
Short term debt	(1,643)	(2,995)
INCREASE IN CASH FLOW	6,539	6,955
Cash - beginning of year	21,766	14,811
CASH - END OF YEAR	\$ 28,305	\$ 21,766
CASH CONSISTS OF:		
Cash	\$ 172,242	\$ 163,233
Less externally restricted portion of cash	(143,937)	(141,467)
	\$ 28,305	\$ 21,766

See notes to financial statements

SYLVAIN & COMPANY

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MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

Notes to Financial Statements

Year Ended March 31, 2016

(Unaudited)

1. PURPOSE OF THE SOCIETY-SECT

MIGHTY PEACE WATERSHED ALLIANCE SOCIETY (the "society") is a not-for-profit organization incorporated provincially under the Societies Act of Alberta. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The society is a multi-sector not-for-profit society committed to planning for an ecologically healthy watershed while ensuring environmental, economic and social sustainability.

2. GOING CONCERN

The accompanying financial statements have been prepared on the going concern assumption that the society will be able to realize its assets and discharge its liabilities in the normal course of business.

The society is dependent on its ability to secure funding from outside sources, notably from Alberta Environment and Sustainable Resource Development as well as Environment Canada.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPPO).

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash and cash equivalents include balances with the bank. Cash subject to restrictions that prevent its use for the current purposes is included in restricted cash.

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization. Property, plant and equipment is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Equipment	20%	declining balance method
Computer equipment	30%	declining balance method

The society regularly reviews its property, plant and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, plant and equipment cost.

Property, plant and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

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 revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

(continues)

MIGHTY PEACE WATERSHED ALLIANCE SOCIETY

Notes to Financial Statements

Year Ended March 31, 2016

(Unaudited)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

MIGHTY PEACE WATERSHED ALLIANCE SOCIETY 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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Financial instruments policy

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. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

When the society issues financial instruments that include both a debt and equity component, the entire proceeds are allocated to the debt component, and the equity component is assigned a measurement amount of \$nil.

When financial instruments that include both a debt and an equity component are issued, the proceeds are allocated firstly to the component for which the fair value is more readily determinable, and the residual is allocated to the other component.

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Equipment	\$ 2,803	\$ 1,189	\$ 1,614	\$ 2,018
Computer equipment	4,566	2,951	1,615	2,307
	\$ 7,369	\$ 4,140	\$ 3,229	\$ 4,325

5. ECONOMIC DEPENDENCE

The society receives 96% of its revenue from Government funding. Should this funding substantially change its dealings with the society, management is of the opinion that continued viable operations would be doubtful.