

BIOSPHERE INSTITUTE OF THE BOW VALLEY

Financial Statements

December 31, 2013

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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, 2013 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, 2013 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 21, 2014

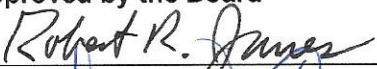
BIOSPHERE INSTITUTE OF THE BOW VALLEY

Statement of Financial Position

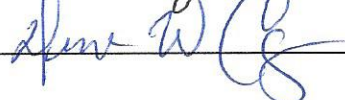
December 31, 2013

	2013	2012
ASSETS		
Current		
Cash	\$ 116,084	\$ 112,407
Contributions receivable	20,275	38,962
	<u>\$ 136,359</u>	<u>\$ 151,369</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 10,682	\$ 13,144
Employee deductions payable	3,620	9,522
Deferred contributions	50,252	77,173
	<u>64,554</u>	<u>99,839</u>
NET ASSETS		
Unrestricted	<u>71,805</u>	<u>51,530</u>
	<u>\$ 136,359</u>	<u>\$ 151,369</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, 2013

	2013	2012
Revenue		
Grants	\$ 278,873	\$ 237,195
Donations	33,141	41,091
Other	947	900
	<u>312,961</u>	<u>279,186</u>
Expenses		
Advertising and promotion	1,879	5,017
Events/project promotions	993	1,553
Insurance	1,860	1,852
Office	4,126	4,465
Other	1,813	9,522
Professional fees	10,508	7,481
Rent	10,035	10,010
Salaries and benefits	227,558	239,937
Supplies and educational materials	30,151	20,107
Telephone	2,681	2,415
Travel	1,082	2,048
	<u>292,686</u>	<u>304,407</u>
Excess (deficiency) of revenue over expenses for the year	\$ 20,275	\$ (25,221)
Unrestricted net assets, beginning of the year	<u>51,530</u>	<u>76,751</u>
Unrestricted net assets, end of the year	<u>\$ 71,805</u>	<u>\$ 51,530</u>

BIOSPHERE INSTITUTE OF THE BOW VALLEY

Statement of Cash Flows

Year Ended December 31, 2013

	2013	2012
Cash flows from operating activities		
Net excess (deficiency)	\$ 20,275	\$ (25,221)
Changes in non-cash working capital:		
Accounts receivable	18,687	(6,264)
Accounts payable and accrued liabilities	(2,462)	2,113
Deferred contributions	(26,921)	34,644
Employee deductions payable	(5,902)	1,093
	<u>(16,598)</u>	<u>31,586</u>
	3,677	6,365
Increase (decrease) in cash	3,677	6,365
Cash (deficiency), beginning of the year	<u>112,407</u>	<u>106,042</u>
Cash (deficiency), end of the year	<u>\$ 116,084</u>	<u>\$ 112,407</u>

BIOSPHERE INSTITUTE OF THE BOW VALLEY

Notes to Financial Statements

December 31, 2013

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, accounts 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.

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3. Lease Commitments

The Biosphere Institute of the Bow Valley leases office space in a building owned by the Town of Canmore, one of its core funders. The lease is effective from July 1, 2009 to June 30, 2014 with an option to renew for the same terms subject to a rate adjustment. The present rental is \$8,110 per year throughout the term of the lease and is paid in quarterly instalments of \$2,027. There is no common area cost.

2014	\$	4,055
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4. Economic Dependence

The organization receives an annual grant from the Town of Canmore to assist with general operating costs of its operations.