

“Absorb what is
USEFUL, discard
What is not, add
What is
uniquely your own.”

ENVIROS AT A GLANCE

We're a Calgary-based social services agency that helps children, youth and families in vulnerable situations: children, youth and young adults who need short- or long-term living environments, young adults who require addiction treatment, people of all ages living with FASD and their caregivers, young adults who have aged out of the Children's Services system, children with special needs who require respite care.

OUR PROGRAMS

FASD

Neurodevelopment Assessment and Diagnostic Centre
FASD Evolution (18 years old and over)
FASD Intervention (up to 18 years old and their caregivers)

COMMUNITY SERVICES

Respite Care Connection (6 to 17 years old)
Youth Transitioning to Adulthood (18 to 22 years old)

YOUTH JUSTICE

ExCel Discovery (open custody; 13 to 17 years old)

ADDICTION TREATMENT

Shunda Creek Wilderness Addiction Treatment
(males 18 to 24 years old)

LONG-TERM LIVING ENVIRONMENTS

Foster Care
Triveri House (18+ permanent housing)

SHORT-TERM LIVING ENVIRONMENTS

Connects (6 to 12 years old)
Passages (13 to 18 years old)
Summit (13 to 18 years old)

LAND ACKNOWLEDGEMENT

Enviros acknowledges that we are situated on the traditional lands of the Blackfoot Confederacy and honour the people of Treaty 7 Territory, which includes Kainai, Siksika, Piikani, Tsuut'ina and the Stoney-Nakoda Nations, including Bearspaw, Chiniki, and Wesley Bands. We also honour and acknowledge that we are on the homelands of the Metis people and all other settlers who make Treaty 7 Territory their home.

We also acknowledge that the land upon which the Shunda Creek Wilderness Addiction Treatment program is located is Treaty 6 Territory and a traditional home and meeting ground for many Indigenous peoples, including the Blackfoot, Cree, Saulteaux, Stoney and Métis.

MESSAGE FROM OUR CEO & BOARD PRESIDENT

Enviros, like many organizations, was in a unique situation to conduct our Annual General Meeting, which took place June 24, 2020. At this annual event, we took the time to recognize the significant contributions that Enviros' and our staff have contributed to the communities and lives of the people we serve. This year, rather than getting together in person, we had a shorter meeting via Zoom. This report was not completed at that time. However, the importance of the work being completed was acknowledged and we are now ready to share some of the accomplishments of Enviros from the 2019-2020 year.

The Enviros Board of Directors recognizes that this has been a very difficult year for our staff with program cuts along with the difficult working conditions and additional health risks of COVID-19. On behalf of the board, thank you to each and every staff member for your diligence throughout these times. We are very fortunate to have a staff team whose dedication to Enviros and the individuals who we serve is apparent every day. The board acknowledged our leadership team and frontline staff in the meeting and wanted to express their knowledge of how challenging this year has been and, most importantly, to let everyone know that the extra efforts are recognized and very much appreciated.

The 2019-2020 auditors report has been approved. The organization is in good financial health especially given the current situation and the auditors were satisfied with Enviros and our actions. On behalf of the board, thank you to the finance team and everyone who contributed to the audit for a job well done.

I am also pleased to report that all of the board members have been re-appointed and expressed a desire to continue to support Enviros and the work that we do.

Moving forward, Enviros has some work to do. As one door closes, other doors can open. There are things happening in the world that are a reminder of how important it is to look at ourselves as an agency and move forward with a continuous improvement mindset to ensure that equality and growth are prevalent within the agency. The board is in full support of this and we look forward to a strategic planning process where we will challenge ourselves and ensure we are providing relevant and necessary services to those who need us most—and more than ever. Thank-you for being part of the Enviros' team. We could not ask for a better group to assist us in ensuring that we continue to advance our values and culture.



Hazel Bergen
Chief Executive Officer



Lisa Olsen
Board President

HIGHLIGHTS

TOTAL CLIENTS SERVED

1,132

DIRECT CLIENTS

389

FAMILY MEMBERS, CONTACTS & PROFESSIONAL SUPPORTS

743

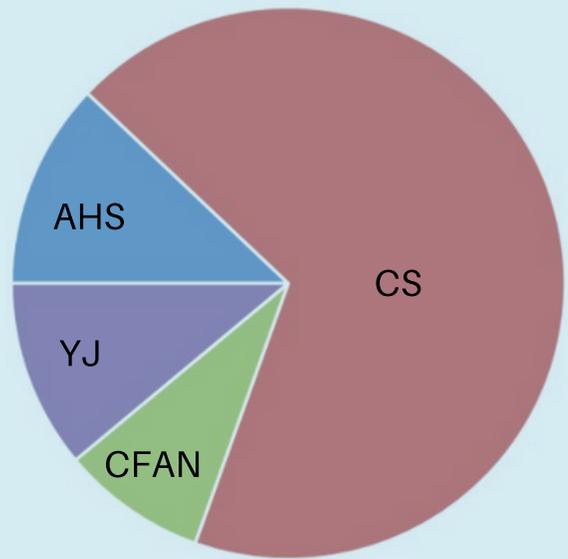
CHILDREN & YOUTH SUPPORTED IN A FAMILY SETTING

166

CLIENTS IDENTIFYING AS INDIGENOUS

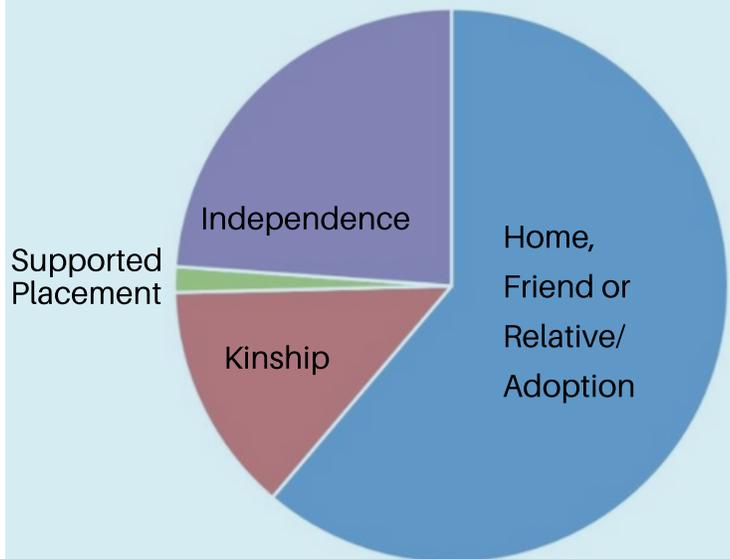
36.7%

NUMBER OF CLIENTS BY FUNDER



Alberta Health Services: 12.1%
Children's Services: 68.4%
Youth Justice: 8.5%
Calgary Fetal Alcohol Network: 11.0%

CHILDREN & YOUTH IN PERMANENT HOMES AT PROGRAM COMPLETION



Home, Friend or Relative/Adoption: 61.2%
Kinship: 13.4%
Supported Placement: 1.5%
Independence: 23.9%

COMMUNITY SUPPORT

DONORS

Active Edge Physical Therapy | AGF Group Foundation | ARC Resources | ATCO Pipelines & Liquids Global Business Unit EPIC | Laura Atherton | Tannis Baker | Heather Belanger | Judy Bennett | Hazel Bergen | Rachelle Bessette
Doug Bonner | James Bowler | Stewart & Coleen Boxell | Renae Buss | Laura Caruth | Harry Chandler | Kate Clarke
Sharon Cole | Vicky Collins | Anik Corbell | Doug Darwish | Helen Demkiw | Lynne Downey | Valerie Ekstrom
Nellie Pearle Fischer | Stephen & Lynne Fowler | Michelle Gauddek | Jackie George | Gordon Law Office | Glynnis Grigg |
Thomas Greiner | Dinah Hazelaar | Sylvie Horan | IG Wealth Management | Mark & Brenda Jennings
Kanata Development Inc. | Kids Help Phone | Brian Kraus | Matt Law | Heather Morrow | John Nielsen
Barry & Lisa Olsen | Sharlene Page | Palmer Family Foundation | Richard Phaneuf | Thomas Plunkett | Jacquie Pommier
Elizabeth Pritchard | Patricia Rabby | Raymond James Canada Foundation | Matt & Sandy Read | Patty Richards
Josh Robb | Judy L. Robb | Phyllis Schmaltz | Val Schoonderbeek | Wendy Sears | Ronaye Shandel | Janice Shechosky
Shirley Shechosky | Susan Smith | Lindsay Stamhuis | Alice Stigter | Michelle Stigter | Patricia Stogrin
Stone Creek Charitable Foundation | Cathy Strand | Surplus Furniture & Mattress - Calgary | Sutton Energy Ltd.
Sych and Associates Psychological Services Ltd. | TC Energy Ltd. | Carol Titosky | Doug Titosky | TransAlta Corporation
Carrie Tunall | Silvia Vajushi | Tom Van Tighem | Wellington Park Community League | Todd Williamson
David J. Wilmot | Cory & Renee Winder | Yellowhead Regional Library | Shauna Young | Wendy Yu

CORPORATE & COMMUNITY SUPPORTERS

7th ANNUAL COREY MACE TURKEY DRIVE—Donated 30 turkeys and hams to Enviros clients

2019 DALHOUSIE SHOW 'N' SHINE—Organized by Friends of Enviros Barry and Lisa Olsen and sponsored by:

Boston Pizza (Dalhousie Station) | Dalhousie Community Association | First Calgary Financial | Fountain Tire (Northland)
Reflections Car Wash | Safeway (Dalhousie Station)

ALPINE CLUB OF CANADA ROCKY MOUNTAIN SECTION—Donated proceeds from the 2019 Annual Night of Lies to Enviros

ARC'TERYX CALGARY—Donated proceeds from an in-store yoga night to Enviros

PATAGONIA CALGARY—Donated proceeds from an in-store screening of Rotpunkt to Enviros

PATAGONIA CALGARY & ELEMENTS—Donated a portion of Black Friday sales to Enviros

RAYMOND JAMES ANNUAL FROZEN MEALS PREPARATION GROUP—15 youth worked with volunteers from Raymond James to prepare frozen meals for the youth.



JANN ARDEN CHARITY GOLF TOURNAMENT IN SUPPORT OF ENVIROS

PRESENTING SPONSOR—ARC Resources

COURSE SPONSOR—Silvertip Resort

RAFFLE SPONSOR—WestJet

HOLE-IN-ONE SPONSOR—Toole Peet Insurance

GIFT SPONSOR—Drive Sportswear

MEDIA SPONSOR—CTV

HOLE SPONSORS

Apex Massage Therapy

GroupSource

Millennium Geomatics

Avison Young

Hamilton & Partners

Moxies Grill and Bar

Cococo Chocolatiers

Mawer

PhotoSnacks

SILENT AUCTION DONORS

Alpine Helicopters | Ambassador Tattoo | Apex Massage Therapy | Black Dog Bakery |
Boogie's Burgers Calgary Stampede | Canmore Cave Tours | Cococo Chocolatiers
Dion Simon | Fitterfirst | Kicking Horse Coffee | Local Laundry | Nakiska
Patagonia Banff | Rockreations | Summit Motosports | Willow Park Wines & Spirits



Jann Arden
Cross-Canada
Virtual Charity
Golf Tournament
in support of
ENVIROS

SHAW BIRDIES FOR KIDS PRESENTED BY ALTALINK

From February 1 to September 1, 2019, Shaw Birdies for Kids presented by AltaLink matched donations, proceeds of the Jann Arden Charity Golf Tournament in Support of Enviros, and more by up to 50%.

FOUNDATIONS AND GRANTS

Alberta Gaming, Liquor and Cannabis | Burns Memorial Fund | Calgary Foundation | City of Calgary Change Can't Wait Grant | Kinsmen Club of Calgary

PROGRAM FUNDERS

Alberta Children's Services | Alberta Health Services | Alberta Justice and Solicitor General | Alberta Learning
Calgary Board of Education | Calgary Fetal Alcohol Network | Community and Social Services



Enviros Wilderness School Association

Financial Statements
March 31, 2020



Independent auditor's report

To the Directors of Enviros Wilderness School Association

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Enviros Wilderness School Association (the Association) as at March 31, 2020 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.

What we have audited

The Association's financial statements comprise:

- the statement of financial position as at March 31, 2020;
- the statement of revenue and expenditures and fund balances for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the 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.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Calgary, Alberta
June 25, 2020

Enviros Wilderness School Association

Statement of Financial Position

As at March 31, 2020

			2020	2019
	Operating Fund \$	Capital Fund \$	Total \$	Total \$
Assets				
Current assets				
Cash and cash equivalents	1,441,436	156,537	1,597,973	1,331,384
Accounts receivable	145,103	-	145,103	58,121
Goods and services tax recoverable	20,905	153	21,058	35,476
Prepaid expenses	16,116	-	16,116	66,963
Due to (from) funds	181,128	(181,128)	-	
	1,804,688	(24,438)	1,780,250	1,491,944
Investments (note 5)	932,301	1,229,039	2,161,340	2,183,190
Capital assets (note 8)	-	1,881,341	1,881,341	1,848,045
	2,736,989	3,085,942	5,822,931	5,523,179
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities (note 6)	665,195	-	665,195	552,606
Deferred revenue	438,057	-	438,057	277,952
Surplus contributions refundable (note 10)	275,656	-	275,656	198,991
	1,378,908	-	1,378,908	1,029,549
Deferred contributions (note 7)	-	866,820	866,820	953,890
	1,378,908	866,820	2,245,728	1,983,439
Fund Balances				
Unrestricted	1,284,081	-	1,284,081	1,259,982
Internally restricted	74,000	2,219,122	2,293,122	2,279,758
	1,358,081	2,219,122	3,577,203	3,539,740
	2,736,989	3,085,942	5,822,931	5,523,179

Approved by the Board of Directors

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Director

DocuSigned by:

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Director

The accompanying notes are an integral part of these financial statements.

Enviros Wilderness School Association
Statement of Revenue and Expenditures and Fund Balances
For the year ended March 31, 2020

			2020	2019
	Operating Fund \$	Capital Fund \$	Total \$	Total \$
Revenue				
Contract revenue				
Ministry of Children's Services: Calgary Region	6,573,140	-	6,573,140	6,180,690
Alberta Health Services – Base Camp	1,741,185	18,220	1,759,405	1,689,607
Alberta Health Services – Shunda Creek	1,730,064	7,200	1,737,264	1,737,264
Alberta Solicitor General and Public Security and Alberta Justice	731,394	-	731,394	731,394
Calgary Fetal Alcohol Network	306,429	-	306,429	241,944
Surplus contributions refundable (note 10)	(391,493)	-	(391,493)	(172,771)
Fee for service	138,900	-	138,900	105,493
Donations, fundraising and grants	415,341	-	415,341	340,030
Amortization of deferred contributions (note 7)	-	87,070	87,070	91,741
	<u>11,244,960</u>	<u>112,490</u>	<u>11,357,450</u>	<u>10,945,392</u>
Expenses				
Manpower	7,614,695	-	7,614,695	7,288,775
Direct client costs	2,388,736	-	2,388,736	2,107,913
Facility	616,976	-	616,976	639,431
Administration	418,136	12,275	430,411	434,919
Vehicle costs	90,070	-	90,070	78,657
Fundraising costs	57,142	-	57,142	28,274
Amortization	-	156,537	156,537	163,909
	<u>11,185,755</u>	<u>168,812</u>	<u>11,354,567</u>	<u>10,741,878</u>
Other				
Other (expenses) income	(5,441)	-	(5,441)	59,688
Investment (loss) income	(8,858)	48,879	40,021	85,324
Loss on disposal of capital assets	-	-	-	(7,725)
	<u>(14,299)</u>	<u>48,879</u>	<u>34,580</u>	<u>137,287</u>
Excess (deficiency) of revenue over expenses	44,906	(7,443)	37,463	340,801
Fund balances – Beginning of year	<u>1,313,175</u>	<u>2,226,565</u>	<u>3,539,740</u>	<u>3,198,939</u>
Fund balances – End of year	<u>1,358,081</u>	<u>2,219,122</u>	<u>3,577,203</u>	<u>3,539,740</u>

The accompanying notes are an integral part of these financial statements.

Enviros Wilderness School Association

Statement of Cash Flows

For the year ended March 31, 2020

	2020 \$	2019 \$
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenditures	37,463	340,801
Items not affecting cash		
Amortization of deferred contributions (note 7)	(87,070)	(91,741)
Unrealized (gain) loss on investments	21,850	(25,504)
Loss on disposal of capital assets	-	7,725
Amortization	156,537	163,909
	<hr/>	<hr/>
	128,780	395,190
Net change in non-cash working capital	250,977	155,581
	<hr/>	<hr/>
	379,757	550,771
Financing activities		
Net movement in surplus contributions refundable (note 10)	76,665	(734,389)
Additions to deferred contributions (note 7)	-	42,738
	<hr/>	<hr/>
	76,665	(691,651)
Investing activities		
Capital asset purchases	(189,833)	(120,565)
Disposal proceeds from capital assets	-	3,063
	<hr/>	<hr/>
	(189,833)	(117,502)
Increase (decrease) in cash and cash equivalents	266,589	(258,382)
Cash and cash equivalents – Beginning of year	1,331,384	1,589,766
	<hr/>	<hr/>
Cash and cash equivalents – End of year	1,597,973	1,331,384
	<hr/>	<hr/>

The accompanying notes are an integral part of these financial statements.

Enviros Wilderness School Association

Notes to Financial Statements

March 31, 2020

1 Purpose of the Organization

Enviros Wilderness School Association (Enviros or the Organization) is a registered association under the Societies Act of the Province of Alberta. Enviros was incorporated to provide for the social, physical, emotional and educational development of youth and families in Alberta. Enviros is a registered charity under the Income Tax Act (Canada), and as such is exempt from income taxes.

2 Change in accounting policies

Effective April 1, 2019, Enviros adopted the new standards of the Chartered Professional Accountants (CPA) Handbook, Part III – Accounting for Not-for-Profit Organizations (ASNPO), Section 4433 – Tangible Capital Assets Held by Not-for-Profit Organizations.

The adoption of Section 4433 – Tangible Capital Assets Held by Not-for-Profit Organizations resulted in a change to the Organization's accounting policies with respect to componentization and amortization of tangible capital assets. The cost of tangible capital assets made up of significant separable component parts is reasonably allocated to the component parts practically and when estimates can be made of the estimated useful lives of the separate components.

In accordance with transitional provisions in Section 4433, there were no tangible capital assets identified as having significant separable components. As such, there is no material impact to the financial statements.

In accordance with Section 4433, the Organization's accounting policies with respect to impairment of long-lived assets has also been revised (note 3).

In accordance with Section 4433, the Organization has recorded no impairment of long-lived assets in the current fiscal year.

3 Summary of significant accounting policies

Basis of accounting

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) as issued by the Canadian Accounting Standards Board.

Fund accounting

The Organization uses fund accounting. The Organization maintains the following funds:

- the operating fund contains the assets, liabilities, revenue and expenses related to the Organization's operating activities; and
- the capital fund contains the assets, liabilities, revenue and expenses related to the Organization's capital assets.

Enviros Wilderness School Association

Notes to Financial Statements

March 31, 2020

Revenue recognition

Enviros follows the deferral method of accounting for contributions. Restricted contributions relating to operations are recognized as revenue in the operating fund in the year in which the related expenditures are incurred. Restricted contributions related to capital assets are recognized as revenue in the capital fund as the related capital assets are amortized. Unrestricted contributions are recognized in the operating fund when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Contract and fee for services are recognized when services are rendered.

Interest income is recognized as revenue, when earned, in the fund in which the related investment resides.

Capital assets

Capital assets are recorded at cost less accumulated amortization and any provision for impairment. The cost for contributed capital assets is considered to be fair value at the date of contribution. The cost of capital assets made up of significant separable component parts is allocated to the component parts when practicable and when estimates can be made of the estimated useful lives of the separate components.

Amortization is provided over the estimated useful lives of the assets on the following basis:

Buildings	30 years straight-line
Vehicles	8 years straight-line
Equipment and furniture	20% declining balance

Construction-in-progress items are not subject to amortization until they are put into use.

Capital assets are tested for impairment when conditions indicate that a capital asset no longer contributes to the Organization's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. When conditions indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost. The write-downs of capital assets are recognized as expenses in the statement of revenue and expenditures and fund balances. Write-downs are not subsequently reversed.

Contributed goods and services

Enviros has numerous volunteers who contribute many hours each year. Contributed volunteer services are not recognized in the financial statements because of the difficulty in determining their value. Contributed goods are not recognized in the financial statements.

Enviros Wilderness School Association

Notes to Financial Statements

March 31, 2020

Measurement uncertainty

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from and affect the results reported in these financial statements.

Cash and cash equivalents

Cash and cash equivalents consist of cash and short-term investments with initial terms to maturity of less than 90 days.

Investments

Long-term investments are recorded at market value with distributions, and realized and unrealized gains and losses recognized in the statement of revenue and expenditures and fund balances as investment income or loss.

Donations of investments in kind, if any, are recorded at market value on the date of donation.

Financial instruments

Enviros initially measures financial assets and financial liabilities at their fair value and subsequently measures all its financial assets and financial liabilities, other than long-term investments, at amortized cost. The financial assets subsequently measured at amortized cost include cash and cash equivalents and accounts receivable. The financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities and surplus contributions refundable.

Credit risk

The Organization does not have a concentration of credit exposure with any one party. The Organization does not consider that it is exposed to undue credit risk.

Liquidity risk

Liquidity risk is the exposure of the Organization to the risk of being unable to meet its financial obligations as they come due. The Organization manages liquidity risk by monitoring and reviewing actual and forecasted cash flows that incorporate the effects of COVID-19 to ensure there are available cash resources to meet these needs (note 13).

Interest rate risk

The Organization does not consider its exposure to interest rate risk as a result of changes in market interest rates to be significant.

Enviros Wilderness School Association

Notes to Financial Statements

March 31, 2020

4 Economic dependence

The Organization operates programs which are funded by governments and agencies. These contracts are annually renewed and can be cancelled based on policy changes on redirection of funding.

5 Investments

	2020 \$	2019 \$
Fixed income funds	814,410	802,287
Equity funds	1,346,930	1,380,903
	<u>2,161,340</u>	<u>2,183,190</u>

During the year, dividends of \$41,330 (2019 – \$45,516) and interest income of \$18,241 (2019 – \$15,562) from short-term investments were recorded in investment income on the statement of revenue and expenditures and fund balances.

Investment income earned on internally restricted investment is internally restricted by the Board of Directors requiring Board approval prior to use.

6 Government remittances payable

In respect of government remittances as at March 31, 2020, payroll withholding tax of \$45,860 (2019 – \$31,252) is included in accounts payable and accrued liabilities.

7 Deferred contributions

Deferred contributions reported in the capital fund include unamortized portions of contributed capital assets and restricted contributions for capital assets. The contributions are amortized over the same basis as the capital assets in the capital fund.

The changes for the year in the deferred contribution balance reported in the capital fund are as follows:

	2020 \$	2019 \$
Balance – Beginning of year	953,890	1,002,893
Amounts amortized to revenue	(87,070)	(91,741)
Contributions – other	-	42,738
	<u>866,820</u>	<u>953,890</u>

Enviros Wilderness School Association

Notes to Financial Statements

March 31, 2020

8 Capital assets

			2020	2019
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Land	330,220	-	330,220	330,220
Buildings	2,769,545	1,504,480	1,265,065	1,154,195
Vehicles	446,391	329,288	117,103	152,438
Equipment and furniture	1,186,583	1,017,630	168,953	211,192
	<u>4,732,739</u>	<u>2,851,398</u>	<u>1,881,341</u>	<u>1,848,045</u>

Lease

Buildings, with a net book value of \$1,016,960 as at March 31, 2020 (2019 – \$882,418) and included above, were erected on lands subject to a recreational lease. This lease, with the Alberta Forestry Land and Wildlife, expired on September 30, 2011. A temporary field authorization with an expiration date of October 31, 2019 has been provided in the interim. The lease renewal application has been submitted and the Organization should have the new lease in place by the end of June 2020. Anticipated lease costs are unknown. Presently, these lease costs are nominal in value.

9 Line of credit

Enviros has a demand revolving credit facility of \$300,000 (2019 – \$300,000) of which \$nil was drawn as at March 31, 2020 (2019 – \$nil). The facility bears interest at prime and is collateralized by the carrying value of property owned by the Organization.

10 Surplus contributions refundable

Surplus contributions refundable represent advances received from funders which have not been fully expended as at March 31, 2020 and which have not been approved for use. The funding agencies may approve retention of these funds for specified purposes, or may request the amounts to be paid.

11 Commitments

The Organization entered into a lease agreement, renewed on December 1, 2019, for office space with a term to November 30, 2025. The Organization also entered into additional lease agreements, committing to the following annual rental payments:

	\$
Year 1	149,039
Year 2	160,881
Year 3	163,249
Year 4	167,986
Year 5	167,986
Over 5 years	111,991

Enviros Wilderness School Association

Notes to Financial Statements

March 31, 2020

12 Fundraising expenses

As required under Section 7(2) of the Charitable Fundraising Regulation in Alberta, the following amounts are disclosed:

	2020 \$
Amounts paid as remuneration to employees whose principal duties involve fundraising	109,542
Direct expenses incurred for the purpose of soliciting contributions	57,142

13 COVID-19

On March 11, 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic resulting in significant public health measures and restrictions put in place. Restrictions such as travel bans, closure of non-essential businesses and physical distancing have caused disruption to businesses and a significant decline in global capital markets resulting in an economic slowdown.

Management has assessed the financial impact of COVID-19 as at March 31, 2020 and did not identify any impact to its financial statements as at March 31, 2020.

COVID-19 has increased the Organization's financial risk with respect to liquidity risks. Management has included disclosure to that risk in note 3 of the financial statements.

The long-term impact of the pandemic on the Organization and the economy is not yet known and information surrounding the global economic impact of COVID-19 and the estimated length of the pandemic continues to evolve. Future impacts of the pandemic may have financial effects on the Organization's future revenues and operating results. It is not possible to estimate any results of future financial impacts of COVID-19 on the Organization subsequent to March 31, 2020.