CORVUS CENTRE FOR CONSERVATION POLICY

FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of:
CORVUS CENTRE FOR CONSERVATION POLICY

Opinion

We have audited the accompanying financial statements of Corvus Centre for Conservation Policy (the "Organization") which comprise the Statement of Financial Position as at September 30, 2023 and the Statements of Operations and Changes in Net Assets and Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Organization as at September 30, 2023 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.

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 are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Organization’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 Organization'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 Organization'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 Organization 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.

Horizon Group

CALGARY, ALBERTA
January 25, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS

CORVUS CENTRE FOR CONSERVATION POLICY
STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30

	2023	2022
ASSETS		
CURRENT		
Cash	$ 51,300	$ 5,221
Accounts receivable	19,733	8,936
Prepaid expenses and deposits	2,182	1,820
	73,215	15,977
EQUIPMENT (Note 2)	975	2,925
	$ 74,190	$ 18,902
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 26,845	$ 12,639
Goods and services tax payable	3,914	3,436
Salary and deductions payable	22,862	22,862
Deferred revenue (Note 3)	39,432	-
	93,053	38,937
NET ASSETS		
UNRESTRICTED FUNDS	(18,863)	(20,035)
	(18,863)	(20,035)
	$ 74,190	$ 18,902

APPROVED ON BEHALF OF THE BOARD:

_______________________________ Director

_______________________________ Director

CORVUS CENTRE FOR CONSERVATION POLICY

STATEMENT OF OPERATIONS AND CHANGED IN NET ASSETS

FOR THE YEAR ENDED SEPTEMBER 30

	2023	2022
REVENUE		
Services	$ 172,970	$ 129,021
Grants	16,160	696
Other	100	-
Interest	19	8
	189,249	129,725
EXPENSES		
Salaries and benefits	118,364	116,165
Professional fees	40,829	15,524
Subcontracts	10,493	9,000
Rent	6,247	528
Insurance	3,411	2,391
Computer expenses	2,503	1,349
Travel	2,209	1,667
Amortization	1,950	975
Utilities	865	700
Workshop	817	993
Office expenses	347	458
Interest and bank charges	42	10
	188,077	149,760
EXCESS (DEFICIENCY) of REVENUE over EXPENSES	1,172	(20,035)
NET ASSETS, BEGINNING of year	(20,035)	-
NET ASSETS, END of year	$ (18,863)	$ (20,035)

CORVUS CENTRE FOR CONSERVATION POLICY
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30

		2023		2022
CASH FLOWS from OPERATING ACTIVITIES				
Services income received	$	170,374	$	125,129
Grants received		48,720		-
Other income		100		-
Interest income		19		8
		219,213		125,137
Cash paid for salaries and benefits		118,364		93,304
Cash paid for materials and services		54,770		22,713
		173,134		116,017
NET CASH generated by operating activities		46,079		9,120
CASH FLOWS from INVESTING ACTIVITIES				
Purchase of equipment		-		(3,899)
NET CASH used in investing activities		-		(3,899)
NET CASH INCREASE		46,079		5,221
CASH, BEGINNING of year		5,221		-
CASH, END of year	$	51,300	$	5,221

THE ORGANIZATION

Corvus Centre for Conservation Policy (the "Organization") was incorporated under the Canada Not-for-Profit Corporations Act as a not-for-profit organization on September 24, 2021. The Organization was granted charitable status on April 18, 2023 by the Canada Revenue Agency. The Organization works to ensure biodiversity is promoted through evidence-based land use, resource management and financial decision making. The Organization is a registered charity and exempt from income tax under Section 149 of the Income Tax Act.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Financial Instruments

Measurement

The Organization initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Organization subsequently measures its financial assets (cash and cash equivalents and accounts receivable) and financial liabilities (accounts payable and accrued liabilities) at amortized cost. Changes in fair value are recognized in the statement of operations in the period incurred.

Impairment

At the end of each reporting period, the Organization assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. When there is objective evidence of impairment, the Organization determines whether a significant change has occurred during the period in the expected timing or amount of future cash flows from the financial asset.

When the Organization identifies a significant adverse change, it reduces the carrying amount of the asset, either directly or through the use of an allowance account. The amount of the reduction is recognized as an impairment loss in the statement of operations.

When a previous impairment decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment is reversed to the extent of the improvement, directly or by adjusting the allowance account. The amount of the reversal is recognized in the statement of operations in the period the reversal occurs.

Use of Estimates

The preparation of financial statements in accordance 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 income and expenses during the current period. Significant estimates include those used when accounting for the collectability of receivables, amounts recorded as accrued liabilities and amortization of property and equipment, which is provided for based on the estimated useful lives of these assets. All estimates are reviewed periodically and, as adjustments become necessary, they are reported in the statement of operations in the periods they become known.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

Cash consist of cash on hand or on deposit with financial institutions. Short-term deposits having a maturity of one year or less at the date of purchase are considered to be cash equivalents.

Equipment

The cost of an item of equipment comprises its purchase price and any directly attributable cost of preparing the item of equipment for its intended use. Donated items of equipment are recorded at estimated fair value.

Equipment is measured at cost less accumulated amortization and accumulated impairment losses. Amortization thereof is provided on the following basis and is calculated at one-half the normal rate in the year of acquisition:

	Method	Timeframe
Computer Hardware	Straight-line	2 years

An item of equipment is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized in the statement of operations when the carrying amount of the item of equipment exceeds the sum of the undiscounted cash flows expected to result from its use and disposition. The impairment loss is measured as the amount by which the carrying value of the item of equipment exceeds its fair value.

An impairment loss is not subject to reversal.

The Organization does not have any intangible capital assets at September 30, 2023.

Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions related to equipment are deferred upon receipt and recognized as revenue on the same basis as the related asset is amortized.

Unrestricted contributions are recognized when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from services is recognized in the year in which the service is provided.

Revenue from projects is recognized on a percentage of completion basis, if the portion of the project that has been completed can be reasonably estimated and collection is reasonably assured.

Interest income is recognized on a pro-rata basis over the term of the related deposit or investment.

Income Taxes

The Organization is a registered charity under the Income Tax Act. As such, it is not subject to federal or provincial income taxes.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Going Concern

Management is required to assess and disclose the ability of the Organization to continue as a going concern and to disclose any material uncertainties related to events or conditions that may cast significant doubt upon the Organization's ability to continue as a going concern. Management believes that, as of the date of this report the Organization does not have a going concern issue.

2. EQUIPMENT

	2023			2022		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Computer Hardware	$ 3,900	2,925	$ 975	$ 3,900	$ 975	$ 2,925

3. DEFERRED REVENUE

Deferred revenue represents payments received prior to the period end which are intended for use in the subsequent period.

Deferred revenue consists of the following:

	2023	2022
Government of Alberta	$ 21,120	$ -
Alberta Real Estate Foundation	10,744	-
Viresco Solutions Inc.	7,568	-
	$ 39,432	$ -

4. COMMITMENTS

The Organization is committed pursuant to a lease for its office premises which was originally entered into on August 26, 2022. Per the agreement, the lease began September 1, 2022 and ends November 30, 2023. The lease carries an initial monthly rent of $528, excluding Goods and Services Tax, and increases to $660 per month, excluding Goods and Services Tax, after the first twelve months of the lease had passed. The lease was extended on October 25, 2023 and now ends November 30, 2024. The extended lease carries a monthly rent of $792, excluding Goods and Services Tax. The lease will be extended automatically for successive periods equal to the current term until terminated by the Organization or by the provider.

The Organization's total lease commitment, excluding Goods and Services Tax, over the current term of the lease is as follows:

2024	$ 9,240
2025	1,584
	$ 10,824

5. FUNDRAISING EXPENSES

As required under Section 7(2) of the Charitable Fund-Raising Act of Alberta, the Organization discloses the following:

Expenses incurred for the purpose of soliciting contributions were NIL.

6. FINANCIAL INSTRUMENTS

The Organization's financial instruments include cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities. The fair values of the financial instruments approximate their respective carrying values due to the relatively short-term maturity of those instruments.

The risks associated with the Organization's transacting in financial instruments include:

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Organization meets its liquidity requirements by managing its available cash. It maintains sufficient cash to meet all of its obligations.

The Organization is exposed to liquidity risk mainly in respect of its accounts payable and accrued liabilities. Management is of the opinion that liquidity risk is not a significant risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Board is of the opinion that the Organization is not exposed to significant credit risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Organization is not exposed to material currency risk as it does not undertake foreign currency transactions.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Organization is not exposed to material interest rate risk as it is not currently utilizing any credit facilities.

6. FINANCIAL INSTRUMENTS (continued)

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Organization is not exposed to other price risk.