CANADIAN WILDLIFE FOUNDATION

Financial Statements

For the year ended February 28, 2019

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Canadian Wildlife Foundation
Financial Statements
For the year ended February 28, 2019

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Independent Auditor's Report

To the Members of the Canadian Wildlife Foundation

Opinion

We have audited the financial statements of the Canadian Wildlife Foundation (the "Foundation") which comprise the balance sheet as at February 28, 2019, and the statement of operations and changes in fund balances, and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at February 28, 2019, and its results of 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 Foundation 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

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

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Independent Auditor's Report (continued)

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 Foundation'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 Foundation'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 Foundation 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.

Baker Tilly Ottawa LLP

Chartered Professional Accountants, Licensed Public Accountants
June 15, 2019
Ottawa, Ontario

Canadian Wildlife Foundation
Balance Sheet

February 28, 2019

(With corresponding amounts as at February 28, 2018)

		Restricted and Endowment Funds (Schedule)				
	General Fund	**Restricted Funds**	**Endowment Funds**	**Total**	**2019 Total Funds**	2018 Total Funds
Assets						
Current						
Cash (Note 1)	**$ 355,810**	**$ 2,090**	**$ 8,616**	**$ 10,706**	**$ 366,516**	$ 282,837
Short-term investments (Note 2)	**26,505**	**35,216**	**83,812**	**119,028**	**145,533**	122,887
Accounts receivable	**2,436**	**156**	**-**	**156**	**2,592**	1,442
	384,751	**37,462**	**92,428**	**129,890**	**514,641**	407,166
Non-current						
Investments (Note 2)	**2,085,772**	**199,304**	**149,066**	**348,370**	**2,434,142**	2,425,665
Prints - at cost	**1,250**	**-**	**-**	**-**	**1,250**	1,250
	2,087,022	**199,304**	**149,066**	**348,370**	**2,435,392**	2,426,915
	$ 2,471,773	**$ 236,766**	**$ 241,494**	**$ 478,260**	**$ 2,950,033**	$ 2,834,081
Liabilities and Fund Balances						
Current						
Accounts payable and accrued liabilities	**$ 22,256**	**$ 468**	**$ -**	**$ 468**	**$ 22,724**	$ 21,451
Due to the Canadian Wildlife Federation (Note 8)	**317,359**	**-**	**-**	**-**	**317,359**	237,079
Deferred contributions (Note 3)	**17,328**	**-**	**-**	**-**	**17,328**	17,328
	356,943	**468**	**-**	**468**	**357,411**	275,858
Fund balances (Note 4)						
Externally restricted (Notes 5 and 6)						
Income and endowment capital	**-**	**196,830**	**241,494**	**438,324**	**438,324**	463,884
Net unrealized gain on investments	**-**	**39,468**	**-**	**39,468**	**39,468**	34,588
Internally restricted (Note 7)	**1,343,026**	**-**	**-**	**-**	**1,343,026**	1,294,283
Unrestricted (Note 7)						
Operating	**556,705**	**-**	**-**	**-**	**556,705**	556,705
Net unrealized gain on investments	**215,099**	**-**	**-**	**-**	**215,099**	208,763
	2,114,830	**236,298**	**241,494**	**477,792**	**2,592,622**	2,558,223
	$ 2,471,773	**$ 236,766**	**$ 241,494**	**$ 478,260**	**$ 2,950,033**	$ 2,834,081

On behalf of the Board: Yves Jean, President Roland Michaud, Treasurer

The accompanying summary of significant accounting policies, notes and schedule are an integral part of these financial statements.

Canadian Wildlife Foundation
Statement of Operations and Changes in Fund Balances

For the year ended February 28, 2019

(With corresponding amounts for the year ended February 28, 2018)

			Restricted and Endowment Funds (Schedule)							
	General Fund		Restricted Funds		Endowment Funds		Total	Total	2019 Total Funds	2018 Total Funds
	2019	2018	**2019**	2018	**2019**	2018	**2019**	2018		
Revenue										
Grants	**$ 300,893**	$ 300,893	**$ -**	$ -	**$ -**	$ -	**$ -**	$ -	**$ 300,893**	$ 300,893
Memorial donations (Note 8)	**48,743**	42,749	**-**	-	**-**	-	**-**	-	**48,743**	42,749
Other donations and bequests	**376,528**	232,752	**-**	-	**2,000**	2,200	**2,000**	2,200	**378,528**	234,952
Interest and dividends	**72,137**	66,226	**15,388**	14,085	**-**	-	**15,388**	14,085	**87,525**	80,311
Net realized gain (loss) on sale of investments	**(67,366)**	(8,432)	**(16,642)**	1,773	**-**	-	**(16,642)**	1,773	**(84,008)**	(6,659)
	730,935	634,188	**(1,254)**	15,858	**2,000**	2,200	**746**	18,058	**731,681**	652,246
Expenses (Note 8)										
Scholarships, grants and programs (Note 8)	**304,894**	274,874	**24,500**	8,000	**-**	-	**24,500**	8,000	**329,394**	282,874
Professional fees	**29,073**	29,697	**1,806**	1,984	**-**	-	**1,806**	1,984	**30,879**	31,681
Strategy implementation	**-**	1,277	**-**	-	**-**	-	**-**	-	**-**	1,277
Trustees expenses	**-**	1,141	**-**	-	**-**	-	**-**	-	**-**	1,141
Market development	**-**	189	**-**	-	**-**	-	**-**	-	**-**	189
Travel, office and other	**1,863**	4,294	**-**	-	**-**	-	**-**	-	**1,863**	4,294
Events	**-**	7,171	**-**	-	**-**	-	**-**	-	**-**	7,171
	335,830	318,643	**26,306**	9,984	**-**	-	**26,306**	9,984	**362,136**	328,627
Excess (deficiency) of revenue over expenses for the year before undernoted items	**395,105**	315,545	**(27,560)**	5,874	**2,000**	2,200	**(25,560)**	8,074	**369,545**	323,619
Transfer to the Canadian Wildlife Federation (Note 8)	**(346,362)**	(272,796)	**-**	-	**-**	-	**-**	-	**(346,362)**	(272,796)
Net change in unrealized gain on investments (Notes 5 and 7)	**6,336**	(67,201)	**4,880**	(13,069)	-	-	**4,880**	(13,069)	**11,216**	(80,270)
Excess (deficiency) of revenue over expenses for the year	**55,079**	(24,452)	**(22,680)**	(7,195)	**2,000**	2,200	**(20,680)**	(4,995)	**34,399**	(29,447)
Fund balances, beginning of year	**2,059,751**	2,084,203	**258,978**	266,173	**239,494**	237,294	**498,472**	503,467	**2,558,223**	2,587,670
Fund balances, end of year	**$ 2,114,830**	$ 2,059,751	**$ 236,298**	$ 258,978	**$ 241,494**	$ 239,494	**$ 477,792**	$ 498,472	**$ 2,592,622**	$ 2,558,223

The accompanying summary of significant accounting policies, notes and schedule are an integral part of these financial statements.

Canadian Wildlife Foundation
Statement of Cash Flows

For the year ended February 28	2019	2018
Cash flows from (used in) operating activities		
Excess (deficiency) of revenue over expenses for the year		
General Fund	**$ 55,079**	$ (24,452)
Restricted and Endowment Funds	**(20,680)**	(4,995)
Less: Endowment Funds donations received - added to the capital of the funds	**(2,000)**	(2,200)
	32,399	(31,647)
Adjustments for		
Net realized loss on sale of investments	**84,008**	6,659
Net change in unrealized gain on investments	**(11,216)**	80,270
	105,191	55,282
Changes in non-cash working capital items		
Accounts receivable	**(1,150)**	257
Prepaid expenses	**-**	3,405
Accounts payable and accrued liabilities	**1,273**	(1,546)
Due to the Canadian Wildlife Federation	**80,280**	205,627
Deferred revenue	**-**	(2,000)
	185,594	261,025
Cash flows from (used in) investing activities		
Net increase in investments	**(103,915)**	(128,553)
Cash flows from (used in) financing activities		
Endowment Funds donations received - added to the capital of the funds	**2,000**	2,200
Net increase in cash for the year	**83,679**	134,672
Cash, beginning of year	**282,837**	148,165
Cash, end of year	**$ 366,516**	$ 282,837

The accompanying summary of significant accounting policies, notes and schedule are an integral part of these financial statements.

Canadian Wildlife Foundation
Summary of Significant Accounting Policies

February 28, 2019

Nature of Organization

The Canadian Wildlife Foundation (the "Foundation") was continued under the Canada Not-for-profit Corporations Act (the "Act") effective August 21, 2014 as Canadian Wildlife Foundation Fondation canadienne de la faune. In accordance with the Foundation's Articles of Continuance ("Articles") under the Act, the Foundation's main purpose is to receive and maintain funds for the use and benefit of the Canadian Wildlife Federation (the "Federation") or other qualified donees under the Income Tax Act (Canada). The Foundation also advances education by providing scholarships, bursaries, awards and other forms of financial assistance to students interested in wildlife and habitat conservation. The Foundation's Articles establish one class of members and its general operating bylaw requires that its members be the Board of Directors of the Federation. The Foundation is therefore controlled by the Federation. The Foundation's Articles also require that any property remaining on liquidation of the Foundation, after the discharge of its liabilities, shall be distributed to the Federation, or if the Federation ceases to be a registered charity, to one or more qualified donees within the meaning of the Income Tax Act (Canada).

The Foundation is a registered charity and as such, is exempt from income taxes and may issue income tax receipts to donors.

Basis of Presentation

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations which are part of Canadian generally accepted accounting principles and include the following significant accounting policies.

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 at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates and assumptions as additional information becomes available in the future. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the period in which they become known.

Significant estimates include assumptions used in estimating the fair value of investments and related investment income, in estimating provisions for accrued liabilities and in estimating expense allocations.

Financial Instruments

Financial instruments are financial assets or financial liabilities of the Foundation where, in general, the Foundation has the right to receive cash or another financial asset from another party or the Foundation has the obligation to pay another party cash or other financial assets.

Financial Instruments (continued)

Measurement of financial instruments

The Foundation initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The Foundation subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity and other instruments that are quoted in an active market, which are measured at fair value.

Financial assets measured at amortized cost include cash, certain investments, and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and amounts due to the Canadian Wildlife Federation. Financial assets measured at fair value include certain investments. There are no financial liabilities measured at fair value.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in operations.

Transaction costs

The Foundation recognizes its transaction costs in operations in the period incurred. However, the financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Foreign Currency

Transactions during the year in a foreign currency have been converted in the accounts to Canadian dollars at the exchange rate in effect on the transaction date. All monetary assets in a foreign currency have been converted to Canadian dollars at the exchange rate in effect at the respective year end date. Gains or losses resulting therefrom are included in the determination of the excess (deficiency) of revenue over expenses for the respective year.

Cash

For purposes of the Foundation's statement of cash flows, cash held in brokerage accounts set out in Note 2 to these financial statements is excluded from operating activities and forms part of the Foundation's investing activities.

Revenue Recognition and Fund Accounting

The Foundation follows the restricted fund method of accounting for contributions. Restricted contributions related to general operations or restricted purposes for which a restricted fund has not been established are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund. Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Contributions for endowment are recognized as revenue in the Endowment Funds.

Investment income or loss realized and fair value changes for investments are recognized in the statement of operations and changes in fund balances as a component of the General Fund, or as a component of the applicable restricted fund if they are related to an investment of a restricted fund, as appropriate. Investment income or loss realized and fair value changes on Endowment Funds resources are recognized in the related restricted fund.

Revenue from fundraising events is recognized as revenue in the fiscal year that the event is held.

General Fund

The General Fund accounts for the Foundation's program delivery, fundraising activities and administrative activities. The fund reports unrestricted resources and internally restricted amounts representing permanent capital, and externally restricted resources and related expenditures for which a restricted fund has not been established.

Restricted Funds

The Restricted Funds report:

- Externally restricted resources that are to be used for funding of specific projects for which a restricted fund has been established; and
- Net investment income realized and fair value changes on the capital of the Endowment Funds which are to be used in accordance with the nature of any restrictions imposed by the contributors of the Endowment Funds.

In addition to the net investment income of the Endowment Funds, the Foundation has the following Restricted Fund:

Canadian Wildlife Fund

The Canadian Wildlife Fund was established by the Canadian Wildlife Federation to fund various conservation programs.

Revenue Recognition and Fund Accounting (continued)

Endowment Funds

The Endowment Funds accumulate capital contributed for endowment purposes. The nature of each Endowment Fund is as follows:

Orville Erickson Memorial Fund

Net investment income generated from the capital of this fund is part of the Restricted Funds to be used to provide scholarships to students who have demonstrated commitment and enthusiasm for wildlife.

Captain Richard Lloyd Memorial Fund

Net investment income generated from the capital of this fund is part of the Restricted Funds to be used to provide funding for raptor research.

Neil Maurer Memorial Scholarship Fund

Net investment income generated from the capital of this fund is part of the Restricted Funds to be used to provide funding for projects relating to forestry.

Frances Elizabeth Hilder Scholarship Fund

Net investment income generated from the capital of this fund is part of the Restricted Funds to be used to provide scholarships to students for the purpose of study and research in the area of forest conservation.

Other Funds

These funds consist of the Past President's Fund and the Laurie Planck Memorial Fund. Net investment income generated from the capital of these funds is part of the Restricted Funds to be used to provide funding for school groups in the grade six to nine range for the purpose of promoting outdoor environmental awareness and to provide funding for students to perform habitat projects in their communities, respectively.

Net Unrealized Gain (Loss) on Investments

All changes in the fair value of investments are recognized in the Foundation's operations as they occur. The Foundation segregates the unrealized portion of the fair value changes existing at year end as a separate component of the General or Restricted Fund balances, as appropriate.

Contributed Services

The Board of Trustees volunteer their time to assist the Foundation in carrying out its service delivery activities. The Board of Trustees and other volunteers also assist with fundraising activities. Because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

Contributed Services (continued)	In addition, as set out in Note 8 to these financial statements, the Canadian Wildlife Federation contributes services to the Foundation which are not recognized in these financial statements.
Expense Allocations	At times the Foundation undertakes projects and/or provides funding to meet its objectives as outlined in the previously set out "Nature of Organization" disclosure. In addition, the Foundation undertakes fundraising activities. The costs of the Foundation's activities include expenses that are directly related to their provision. The Foundation's salaries and benefits are not allocated to activities. Therefore, the Foundation's general and administrative support, and fundraising expenses are not allocated to other activities.

1. Cash

The Foundation's bank accounts are held at a Canadian chartered bank. Cash amounts presented in these financial statements in the Foundation's General, Restricted and Endowment Funds are an allocation of the Foundation's General Fund bank accounts. Since cash funds are held temporarily they are held on a consolidated basis and generally do not bear interest except for the savings account. The savings account of $231,585 (2018 - $100,112) bears interest on an escalating tiered basis in the range of 0.40% to 1.55% (2018 - 0.10% to 0.60%) which at year end was an average of 0.61%.

2. Investments

The Foundation's investments consist of interest-bearing financial instruments and non-interest bearing equity and convertible securities. The interest-bearing financial instruments earn interest as follows:

- The cash accounts bear interest at nominal rates; and
- Provincial and Canadian government bonds, corporate bonds and other fixed income securities have an effective weighted average interest rate of 2.98% (2018 - 3.09%).

Short-Term Investments

	2019		2018	
	Carrying Value	**Cost**	Carrying Value	Cost
Cash	**$ 51,984**	**$ 51,984**	$ 18,707	$ 18,707
Provincial and Canadian government bonds, corporate bonds and guaranteed investment certificates, at fair value (see below)	**93,549**	**93,549**	104,180	104,180
	$ 145,533	**$ 145,533**	$ 122,887	$ 122,887

The carrying value of the short-term investments are allocated as $26,505 (2018 - $17,367) for the General Fund and $119,028 (2018 - $105,520) for the Restricted and Endowment Funds.

The short-term investments can be readily liquidated if necessary. The value of the short-term investments carried at amortized cost approximates their current market value. The change in the net amount of these investments is a result of maturities, redemptions, reinvestments and purchases.

2. **Investments** (continued)

General Fund Non-Current Investments

	2019		2018	
	Carrying Value	**Cost**	Carrying Value	Cost
Canadian and U.S. equities and convertible securities, at fair value	**$1,753,633**	**$1,541,347**	$1,724,164	$1,516,216
Provincial and Canadian government and corporate bonds, and fixed income securities, at fair value	**332,139**	**329,326**	330,570	329,755
	$2,085,772	**$1,870,673**	$2,054,734	$1,845,971

U.S. equities are stated in Canadian dollars and have a carrying value total of $292,528 U.S. (2018 - $298,471 U.S.).

The carrying value of the General Fund non-current investments reflects their current market value. The change in the net amount of investments is a result of maturities, redemptions, reinvestments, purchases and fair value changes.

Restricted and Endowment Funds Non-Current Investments

	2019		2018	
	Carrying Value	**Cost**	Carrying Value	Cost
Canadian and U.S. equities and convertible securities, at fair value	**$ 262,910**	**$ 224,327**	$ 283,312	$ 249,135
Provincial and Canadian government and corporate bonds, and fixed income securities, at fair value	**85,460**	**84,575**	87,619	87,208
	$ 348,370	**$ 308,902**	$ 370,931	$ 336,343

U.S. equities are stated in Canadian dollars and have a carrying value total of $33,238 U.S. (2018 - $47,433 U.S.).

The carrying value of the Restricted and Endowment Funds non-current investments reflects their current market value. The change in the net amount of these investments is a result of maturities, redemptions, reinvestments, purchases and fair value changes.

3. Deferred Contributions

In a prior fiscal year, the Foundation had received a bequest of $117,328 to be used in a future project, as agreed with the Executrix of an Estate. Since a specific restricted fund was not established for this bequest at that time, it was deferred and therefore not included in revenue of the General Fund until the appropriate project was agreed upon and related expenditures were incurred. A project was agreed upon and associated expenditures of $100,000 were incurred.

The remaining $17,328 (2018 - $17,328) of the bequest is deferred until such time as further appropriate expenditures are agreed upon.

4. Capital Disclosures

Overall

The Foundation's capital is comprised of its General, Restricted and Endowment Funds as set out in Notes 5, 6 and 7 to these financial statements. The purpose of each component of the General, Restricted and Endowment Funds as well as details on the externally imposed requirements on the Foundation's capital are as set out in the summary of significant accounting policies accompanying these financial statements.

Objectives

The Foundation's objectives when managing its capital are to maintain its ability to:

- Operate efficiently;
- Provide sufficient liquidity;
- Generate predictable cash flows in order to promote the objective of the Canadian Wildlife Federation, to foster understanding of natural processes so that people may live in harmony with the land, using and husbanding its renewable natural resources in a manner that maintains its productivity and its beauty for the long-term benefit and enrichment of society;
- Generate predictable cash flows in order to maximize funding for worthwhile conservation projects, consistent with the fundamental role of the Foundation to distribute funds in support of a wide range of causes involving Canadian wildlife and the environment;
- Meet its disbursement quota requirement as determined by the Canada Revenue Agency; and
- Have funds available for unexpected increases in expenditures or decreases in revenue.

Other Amounts

The Foundation also has a deferred bequest related to a future project, as set out in Note 3 to these financial statements which is available to fund a future Foundation project.

4. **Capital Disclosures** (continued)

Other Information

Further, the Foundation's financial risk management policies, as set out in Note 9 to these financial statements, have been established to assist the Foundation in meeting the objectives set out herein. The Board of Trustees of the Foundation does not establish quantitative return on capital criteria other than as set out in these financial risk management policies.

5. **Restricted Funds**

The externally restricted funds are comprised of net income earned on the capital held for endowment purposes less expenses incurred in accordance with the nature of any restrictions imposed by the contributors of the funds as well as a donation which is restricted by the Canadian Wildlife Federation.

	2019	2018
Externally restricted income balance, beginning of year	**$ 224,390**	$ 218,516
Interest, dividends and net gain (loss) realized on sale of investments of Endowment Funds	**(1,254)**	15,858
Scholarships and grants disbursed	**(24,500)**	(8,000)
Other expenses	**(1,806)**	(1,984)
Externally restricted income balance, end of year	**$ 196,830**	$ 224,390
Net unrealized gain on investments balance, beginning of year	**$ 34,588**	$ 47,657
Net change in unrealized gain on investments for the year	**4,880**	(13,069)
Net unrealized gain on investments balance, end of year	**$ 39,468**	$ 34,588
Total Restricted Funds balance, end of year	**$ 236,298**	$ 258,978

Throughout the 2019 fiscal year, the change in unrealized gains and losses amounted to a net unrealized gain of $4,880 (2018 - loss of $13,069). The gain or loss is recorded in the Restricted Funds in the statement of operations and changes in fund balances.

5. **Restricted Funds** (continued)

The externally restricted funds are related to the following Restricted and Endowment Funds:

	2019	2018
Canadian Wildlife Fund	**$ 220**	$ 220
Orville Erickson Memorial Fund	**169,125**	179,558
Captain Richard Lloyd Memorial Fund	**18,180**	32,909
Neil Maurer Memorial Scholarship Fund	**4,383**	3,938
Frances Elizabeth Hilder Scholarship Fund	**43,245**	41,283
Other funds	**1,145**	1,070
	$ 236,298	$ 258,978

6. **Endowment Funds**

The Endowment Funds capital consists of:

	2019	2018
Orville Erickson Memorial Fund	**$ 112,929**	$ 112,929
Captain Richard Lloyd Memorial Fund	**76,620**	74,620
Neil Maurer Memorial Scholarship Fund	**20,100**	20,100
Frances Elizabeth Hilder Scholarship Fund	**30,000**	30,000
Other funds	**1,845**	1,845
	$ 241,494	$ 239,494

The Endowment Funds capital increased by $2,000 of donations for the 2019 fiscal year (2018 - $2,200).

7. **General Fund**

	For the year ended February 28, 2019			
		Unrestricted		
	Internally Restricted for Permanent Capital	**Operating**	**Net Unrealized Gain on Investments**	**Total**
Balance, beginning of year	**$ 1,294,283**	**$ 556,705**	**$ 208,763**	**$ 2,059,751**
Excess of revenue over expenses for the year	**-**	**48,743**	**6,336**	**55,079**
	1,294,283	**605,448**	**215,099**	**2,114,830**
Internally imposed restrictions consisting of memorial donations for the year (Note 8)	**48,743**	**(48,743)**	**-**	**-**
Balance, end of year	**$ 1,343,026**	**$ 556,705**	**$ 215,099**	**$ 2,114,830**

	For the year ended February 28, 2018			
		Unrestricted		
	Internally Restricted for Permanent Capital	Operating	Net Unrealized Gain on Investments	Total
Balance, beginning of year	$ 1,251,534	$ 556,705	$ 275,964	$ 2,084,203
Excess (deficiency) of revenue over expenses for the year	-	42,749	(67,201)	(24,452)
	1,251,534	599,454	208,763	2,059,751
Internally imposed restrictions consisting of memorial donations for the year (Note 8)	42,749	(42,749)	-	-
Balance, end of year	$ 1,294,283	$ 556,705	$ 208,763	$ 2,059,751

7. **General Fund** (continued)

The above accounts were formerly referred to as the Permanent Capital Fund. Since its inception all monies received either as memorial donations or life subscription fees have been placed in this fund to be preserved intact in terms of principal. It was envisaged that monies earned as a result of investing these funds would be available for providing funding for worthwhile conservation projects.

Throughout the 2019 fiscal year, the change in unrealized gains and losses on investments amounted to a net unrealized gain of $6,336 (2018 - loss of $67,201). Gains and losses are recorded in the General Fund in the statement of operations and changes in fund balances.

8. **Related Party Transactions**

Certain expenses of the Foundation are initially paid for by the Canadian Wildlife Federation (the "Federation") on behalf of the Foundation and then reimbursed by the Foundation to the Federation. The Federation also provides general and administrative services which have not been fully charged to the Foundation and are therefore not fully reflected in these financial statements.

These transactions are in the normal course of operations and are measured at the exchange value which is the actual amount of expenses incurred by the Federation on behalf of the Foundation.

During the 2019 fiscal year the Foundation's General Fund internally restricted amount for permanent capital increased by $48,743 (2018 - $42,749) as a result of memorial donations received in conjunction with the Federation.

From time to time, the Federation and Foundation provide funding for each other's programs. During the year the Foundation provided grant funding to Federation for various programs in the amount of $304,894 (2018 - $274,874) from the Foundation's General Fund and $15,000 (2018 - $nill) from the Foundation's Captain Richard Lloyd Restricted Fund for a total of $319,894 (2018 - $274,874). In addition the Foundation transferred funds from its General Fund to the Federation in the amount of $346,362 (2018 - $272,796).

General Fund amounts due to the Federation of $317,359 (2018 - $237,079) are the result of the net of unremitted amounts related to memorial donations collected, general and administrative expenses paid by the Federation on behalf of the Foundation, and for the transfer of funds. Amounts due to and from the Federation are interest free and due on demand.

9. Financial Instruments Risks and Concentrations

The Foundation is exposed to various risks through its financial instruments. The following analysis provides a measure of the Foundation's risk exposure and concentrations as at February 28, 2019.

Financial risk management

The Foundation manages its investment portfolio in such a manner that the expectation is that, within available market opportunities, a satisfactory level of growth of capital and income consistent with maximum capital security will be achieved. Investment strategies and securities selected for the investment portfolio must be prudent and in keeping with the overall conservative nature of the investment objectives. The Foundation has established investment funds and specific asset mix guidelines. The asset mix guidelines are determined by factors such as return objectives, risk tolerance, liquidity requirements and investment horizon that apply to the individual funds as well as respecting donor intentions. The investment policy permits the acquisition of Canadian and Foreign equities; bonds and fixed income securities; and cash and short-term investments that can be readily liquidated if necessary.

In addition, the Foundation's operating cash accounts are held in a Canadian chartered bank.

The Foundation is not involved in any hedging relationships and does not hold or use any derivative financial instruments for trading purposes.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities, spending requirements and obligations. The Foundation is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, amounts due to the Canadian Wildlife Federation, and its ability to provide funding for projects. The Foundation mitigates liquidity risk by limiting its investments to financial instruments that can be readily liquidated if necessary.

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 Foundation's main credit risks relate to its accounts receivable.

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 Foundation is exposed to exchange risk due to the holding of U.S. investments as set out in Note 2 to these financial statements. As at February 28, 2019, $325,766 U.S. (2018 - $345,904 U.S.) are included in the Foundation's investments and stated in Canadian dollars.

9. Financial Instruments Risks and Concentrations (continued)

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 Foundation is exposed to interest rate risk on its fixed and variable interest rate financial instruments. The Provincial and Canadian government and corporate bonds, guaranteed investment certificates and fixed income investments held by the Foundation, as set out in Note 2 to these financial statements, bear interest at fixed rates so the Foundation is exposed to a fair value risk resulting from interest rate fluctuations. The Foundation does not hold significant amounts of variable interest rate financial instruments so the associated cash flow risk is low.

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 currency risk or interest rate risk), whether those changes are caused by factors specific to an individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The maximum loss due to price risk is represented by the carrying value of the investment portfolio, as set out in Note 2 to these financial statements. As at February 28, 2019 the Foundation has $2,016,543 (2018 - $2,007,476) invested in equity instruments traded in active markets.

Investment credit risk

Investment 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 Foundation is exposed to investment credit risk through its cash, guaranteed investment certificates, bonds and fixed income securities, as set out in Notes 1 and 2 to these financial statements. Credit risk arising from these investments is generally limited to the carrying value of these investments.

Investment concentration risk

Investment concentration risk is the risk that an investment portfolio will have greater exposure due to a concentration in securities with similar characteristics or subject to similar economic, political or other conditions. Investment concentration risk is mitigated by ensuring that the portfolio limits geographic allocations as well as limits individual entity holdings.

Changes in risks

There have been no significant changes in the Foundation's risk exposures from its 2018 fiscal year.

10. Corresponding Amounts and Financial Disclosures

In certain limited instances 2018 corresponding amounts and financial disclosures presented have been reclassified to conform to the financial statement presentation and financial disclosures adopted for the current year.

Canadian Wildlife Foundation
Schedule of Restricted and Endowment Funds

For the year ended February 28, 2019

	Canadian Wildlife Fund	Orville Erickson Memorial Fund	Captain Richard Lloyd Memorial Fund	Neil Maurer Memorial Scholarship Fund	Frances Elizabeth Hilder Scholarship Fund	Other Funds	Total
Net assets							
Cash (Note 1)	$ 220	$ 8,806	$ 680	$ -	$ 155	$ 845	$ 10,706
Short-term investments (Note 2)	-	26,324	64,864	24,483	1,212	2,145	119,028
Accounts receivable	-	124	-	-	32	-	156
Investments (Note 2)	-	247,168	29,256	-	71,946	-	348,370
Accounts payable and accrued liabilities	-	(368)	-	-	(100)	-	(468)
	$ 220	$ 282,054	$ 94,800	$ 24,483	$ 73,245	$ 2,990	$ 477,792
Revenue							
Donations	$ -	$ -	$ 2,000	$ -	$ -	$ -	$ 2,000
Interest and dividends	-	9,182	2,815	445	2,871	75	15,388
Net realized gain (loss) on sale of investments	-	(16,654)	-	-	12	-	(16,642)
	-	(7,472)	4,815	445	2,883	75	746
Expenses							
Scholarships and grants (Note 8)	-	9,500	15,000	-	-	-	24,500
Other	-	1,419	-	-	387	-	1,806
	-	10,919	15,000	-	387	-	26,306
Excess (deficiency) of revenue over expenses for the year before undernoted item	-	(18,391)	(10,185)	445	2,496	75	(25,560)
Net change in unrealized gain on investments (Note 5)	-	7,958	(2,544)	-	(534)	-	4,880
Excess (deficiency) of revenue over expenses for the year	-	(10,433)	(12,729)	445	1,962	75	(20,680)
Balance, beginning of year	220	292,487	107,529	24,038	71,283	2,915	498,472
Balance, end of year	$ 220	$ 282,054	$ 94,800	$ 24,483	$ 73,245	$ 2,990	$ 477,792
Comprised of:							
Externally restricted income (Note 5)	$ 220	$ 134,774	$ 13,740	$ 4,383	$ 42,568	$ 1,145	$ 196,830
Net unrealized gain on investments (Note 5)	-	34,351	4,440	-	677	-	39,468
Endowment capital (Note 6)	-	112,929	76,620	20,100	30,000	1,845	241,494
	$ 220	$ 282,054	$ 94,800	$ 24,483	$ 73,245	$ 2,990	$ 477,792

Canadian Wildlife Foundation

Schedule of Restricted and Endowment Funds (continued)

For the year ended February 28, 2018

	Canadian Wildlife Fund	Orville Erickson Memorial Fund	Captain Richard Lloyd Memorial Fund	Neil Maurer Memorial Scholarship Fund	Frances Elizabeth Hilder Scholarship Fund	Other Funds	Total
Net assets							
Cash (Note 1)	$ 220	$ 19,777	$ 1,416	$ -	$ 130	$ 845	$ 22,388
Short-term investments (Note 2)	-	3,385	74,314	24,038	1,713	2,070	105,520
Accounts receivable	-	94	-	-	24	-	118
Investments (Note 2)	-	269,615	31,799	-	69,517	-	370,931
Accounts payable and accrued liabilities	-	(384)	-	-	(101)	-	(485)
	$ 220	$ 292,487	$ 107,529	$ 24,038	$ 71,283	$ 2,915	$ 498,472
Revenue							
Donations	$ -	$ -	$ 2,200	$ -	$ -	$ -	$ 2,200
Interest and dividends	-	9,586	1,786	321	2,386	6	14,085
Net realized gain on sale of investments	-	1,044	-	-	729	-	1,773
	-	10,630	3,986	321	3,115	6	18,058
Expenses							
Scholarships and grants	-	8,000	-	-	-	-	8,000
Other	-	1,550	-	-	434	-	1,984
	-	9,550	-	-	434	-	9,984
Excess of revenue over expenses for the year before undernoted item	-	1,080	3,986	321	2,681	6	8,074
Net change in unrealized gain on investments (Note 5)	-	(13,565)	984	-	(488)	-	(13,069)
Excess (deficiency) of revenue over expenses for the year	-	(12,485)	4,970	321	2,193	6	(4,995)
Balance, beginning of year	220	304,972	102,559	23,717	69,090	2,909	503,467
Balance, end of year	$ 220	$ 292,487	$ 107,529	$ 24,038	$ 71,283	$ 2,915	$ 498,472
Comprised of:							
Externally restricted income (Note 5)	$ 220	$ 153,165	$ 25,925	$ 3,938	$ 40,072	$ 1,070	$ 224,390
Net unrealized gain (loss) on investments (Note 5)	-	26,393	6,984	-	1,211	-	34,588
Endowment capital (Note 6)	-	112,929	74,620	20,100	30,000	1,845	239,494
	$ 220	$ 292,487	$ 107,529	$ 24,038	$ 71,283	$ 2,915	$ 498,472