

**VOLUNTEER ALBERTA (THE ASSOCIATION OF
VOLUNTEER CENTRES AND VOLUNTEER
ENGAGING ORGANIZATIONS OF ALBERTA)**

Financial Statements

Year Ended December 31, 2015

(Unaudited)

**VOLUNTEER ALBERTA (THE ASSOCIATION OF VOLUNTEER CENTRES AND
VOLUNTEER ENGAGING ORGANIZATIONS OF ALBERTA)**

Index to Financial Statements

Year Ended December 31, 2015

(Unaudited)

	Page
REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Operations	2
Statement of Changes in Net Assets	3
Statement of Financial Position	4
Statement of Cash Flow	5
Notes to Financial Statements	6 - 10



KINGSTON
ROSS
PASNAK^{LLP}

Suite 1500, 9888 Jasper Avenue
Edmonton, Alberta T5J 5C6
T. 780.424.3000 | F. 780.429.4817 | W. krpgroup.com

April 22, 2016
Edmonton, Alberta

REVIEW ENGAGEMENT REPORT

To the Members of Volunteer Alberta (The Association of Volunteer Centres and Volunteer Engaging Organizations of Alberta)

We have reviewed the statement of financial position of Volunteer Alberta (The Association of Volunteer Centres and Volunteer Engaging Organizations of Alberta) as at December 31, 2015 and the statements of operations, changes in net assets and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the Association.

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

In common with many charitable organizations, the Association derives some of its revenue from donations. The nature of these revenues limits our review procedures with respect to the completeness of the amounts recorded in the records of the Association, and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenue over expenses, current assets, and net assets.

Except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to complete our review of the contribution revenue, as described in the preceding paragraph, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Kingston Ross Pasnak LLP
Chartered Professional Accountants

**VOLUNTEER ALBERTA (THE ASSOCIATION OF VOLUNTEER CENTRES AND
VOLUNTEER ENGAGING ORGANIZATIONS OF ALBERTA)**

Statement of Operations

For the Year Ended December 31, 2015

(Unaudited)

	2015	2014
REVENUE		
Contracts, grants and contributions	\$ 931,129	\$ 1,059,656
Memberships, workshops and donations	92,117	66,199
Interest	2,965	4,118
	1,026,211	1,129,973
EXPENSES		
Wages and benefits	613,855	652,477
Contract services	98,442	143,823
Office rent	77,699	63,241
Capacity building networking	65,000	65,020
Computer	23,696	29,003
Marketing and communications	23,305	23,997
Staff expenses	23,120	18,851
Travel	22,420	11,810
Office and postage	16,446	16,569
Professional development	10,870	13,440
Utilities and telephone	10,189	9,967
Website	9,993	3,759
Professional fees	8,088	7,150
Venue rental	5,063	738
Amortization	4,167	5,283
Board expense	3,945	4,161
Insurance	2,731	2,459
Bank charges	2,298	1,841
Volunteer recognition	1,422	264
	1,022,749	1,073,853
EXCESS OF REVENUE OVER EXPENSES	\$ 3,462	\$ 56,120

**VOLUNTEER ALBERTA (THE ASSOCIATION OF VOLUNTEER CENTRES AND
VOLUNTEER ENGAGING ORGANIZATIONS OF ALBERTA)**

Statement of Changes in Net Assets

Year Ended December 31, 2015

(Unaudited)

	Invested in Equipment	Unrestricted	Internally Restricted	2015	2014
NET ASSETS - BEGINNING OF YEAR	\$ 14,035	\$ 94,186	\$ 50,000	\$ 158,221	\$ 102,101
(Deficiency) excess of revenue over expenses	(3,696)	7,158	-	3,462	56,120
NET ASSETS - END OF YEAR	\$ 10,339	\$ 101,344	\$ 50,000	\$ 161,683	\$ 158,221

**VOLUNTEER ALBERTA (THE ASSOCIATION OF VOLUNTEER CENTRES AND
VOLUNTEER ENGAGING ORGANIZATIONS OF ALBERTA)**


Statement of Financial Position

December 31, 2015

(Unaudited)

	2015	2014
ASSETS		
CURRENT		
Cash and cash equivalents <i>(Note 3)</i>	\$ 530,095	\$ 616,851
Accounts receivable	7,760	11,294
Interest receivable	895	1,556
Goods and Services Tax recoverable	7,216	6,724
Prepaid expenses	11,368	17,028
	557,334	653,453
EQUIPMENT <i>(Note 4)</i>	12,226	16,394
ENDOWMENT INVESTMENTS <i>(Note 5)</i>	10,291	10,291
	\$ 579,851	\$ 680,138
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 13,210	\$ 20,182
Deferred membership fees	13,225	5,585
Deferred contributions <i>(Note 6)</i>	376,291	493,791
Current portion of deferred capital contributions <i>(Note 7)</i>	377	472
Current portion of lease inducement <i>(Note 8)</i>	3,389	-
	406,492	520,030
DEFERRED CAPITAL CONTRIBUTIONS <i>(Note 7)</i>	1,510	1,887
LEASE INDUCEMENT <i>(Note 8)</i>	10,166	-
	418,168	521,917
COMMITMENTS <i>(Note 9)</i>		
NET ASSETS		
Invested in equipment	10,339	14,035
Unrestricted	101,344	94,186
Internally restricted <i>(Note 10)</i>	50,000	50,000
	161,683	158,221
	\$ 579,851	\$ 680,138

ON BEHALF OF THE BOARD


 _____ Director

 _____ Director

**VOLUNTEER ALBERTA (THE ASSOCIATION OF VOLUNTEER CENTRES AND
VOLUNTEER ENGAGING ORGANIZATIONS OF ALBERTA)**

Statement of Cash Flow

Year Ended December 31, 2015

(Unaudited)

	2015	2014
OPERATING ACTIVITIES		
Cash receipts from contracts, grants, and memberships	\$ 916,618	\$ 1,266,984
Cash paid to suppliers and employees	(1,006,339)	(1,075,674)
Interest received	2,965	4,118
Cash flow (used by) from operating activities	(86,756)	195,428
INVESTING ACTIVITY		
Purchase of equipment	-	(1,876)
(DECREASE) INCREASE IN CASH	(86,756)	193,552
CASH - BEGINNING OF YEAR	616,851	423,299
CASH - END OF YEAR	\$ 530,095	\$ 616,851

**VOLUNTEER ALBERTA (THE ASSOCIATION OF VOLUNTEER CENTRES AND
VOLUNTEER ENGAGING ORGANIZATIONS OF ALBERTA)**

Notes to Financial Statements

Year Ended December 31, 2015

(Unaudited)

1. PURPOSE OF ORGANIZATION

Volunteer Alberta (the "Association") promotes voluntarism within the Province of Alberta by providing funding and supportive services in the voluntary sector around the province.

The Association is incorporated under the Societies Act of the Province of Alberta and registered as a Canadian charitable organization under the Income Tax Act (Canada).

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Significant accounting policies observed in the preparation of the financial statements are summarized below.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit plus highly liquid short term investments, less cheques issued and outstanding and net of draws on the operating line of credit.

Revenue recognition

Deferred contributions represent funds that are externally restricted for specific projects other than the purchase of property and equipment. The Association follows the deferral method of accounting for grants, contracts, contributions and donations. Restricted contributions that meet the criteria of a liability, other than those received for the purchase of property and equipment, are recognized as revenue in the year in which the related expenses are incurred. In the case of revenues received for the purchase of equipment having a limited life, these amounts are amortized to revenue over the useful lives of the related assets.

Revenues from direct program contributions are recognized when received, or when receivable if the amount can be reasonably estimated and collection is reasonably assured.

Revenues for the provision of goods or services are recognized in the period in which the goods are provided or the services are substantially rendered and collection is reasonably assured.

Revenues from memberships are recognized when the related membership services are provided. Membership fees received in advance are deferred and recognized as revenue in the fiscal period to which they relate.

Revenues received from donations and contributions-in-kind are recorded at fair value when such value can be reasonably determined.

Revenues from interest and other income are recognized when earned.

(continues)

**VOLUNTEER ALBERTA (THE ASSOCIATION OF VOLUNTEER CENTRES AND
VOLUNTEER ENGAGING ORGANIZATIONS OF ALBERTA)**

Notes to Financial Statements

Year Ended December 31, 2015

(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Donated goods and services

Donated goods and services are recorded at their fair market value at the time of the donation, which is the amount the Association would normally pay for the service. During the year, volunteer time was contributed to assist the Association in carrying out its service delivery activities. The value of the volunteer time is not recognized in the financial statements.

Financial instruments

All financial instruments are initially measured at fair value, and, unless otherwise noted, the Association subsequently measures its financial instruments at amortized cost.

Equipment

Equipment is amortized over their estimated useful lives at the following rates and methods:

Computer equipment	30%	declining balance method
Video conferencing and phone equipment	20%	declining balance method

The Association regularly reviews its equipment to eliminate obsolete items.

Equipment acquired during the year but not placed into use is not amortized until it is placed into use.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. The significant estimates pertain to collectability of accounts receivable and the physical and economic lives of equipment.

**VOLUNTEER ALBERTA (THE ASSOCIATION OF VOLUNTEER CENTRES AND
VOLUNTEER ENGAGING ORGANIZATIONS OF ALBERTA)**

Notes to Financial Statements

Year Ended December 31, 2015

(Unaudited)

3. CASH AND CASH EQUIVALENTS

	2015	2014
Guaranteed Investment Certificates	\$ 412,717	\$ 300,000
Operating accounts	67,621	155,893
Savings accounts	49,757	160,958
	\$ 530,095	\$ 616,851

The cashable three-year guaranteed investment certificates bear interest at increasing rates varying between 0.85% to 1.35% (2014 - 1.15% to 1.35%) with each increase occurring on their anniversary dates. Due to their cashable nature, the certificates have been classified as short-term investments that are equivalent to cash.

4. EQUIPMENT

	Cost	Accumulated amortization	2015 Net book value	2014 Net book value
Computer equipment	\$ 31,417	\$ 25,199	\$ 6,218	\$ 8,883
Video conferencing and phone equipment	22,078	16,070	6,008	7,511
	\$ 53,495	\$ 41,269	\$ 12,226	\$ 16,394

5. ENDOWMENT INVESTMENTS

	2015	2014
VSMP Alumni Chapter Endowed Project Fund	\$ 10,291	\$ 10,291

According to the Endowment Agreement with VSMP Alumni Chapter, the \$10,291 principal balance must remain endowed until ten years after the establishment date of April 10, 2008. The interest earned from this endowment should be used for general operations of Resource Centre for Voluntary Organizations (RCVO), a project managed by the Association. The endowment investment has an annual interest rate of 1.5%. The interest is calculated and paid annually.

**VOLUNTEER ALBERTA (THE ASSOCIATION OF VOLUNTEER CENTRES AND
VOLUNTEER ENGAGING ORGANIZATIONS OF ALBERTA)**

Notes to Financial Statements

Year Ended December 31, 2015

(Unaudited)

6. DEFERRED CONTRIBUTIONS

During the year, the Association received contributions totaling \$668,500 (2014 - \$761,000). Deferred contributions represent funds received from donors and sponsors for specific projects and are amortized into income as related expenditures are incurred.

	Endowment	Volunteer Week	SCiP and Other	Total
Deferred contributions, beginning of year	\$ 10,291	\$ -	\$ 483,500	\$ 493,791
Add: contributions received	-	100,500	568,000	668,500
Less: recognized as revenue	-	(100,500)	(685,500)	(786,000)
	\$ 10,291	\$ -	\$ 366,000	\$ 376,291

7. DEFERRED CAPITAL CONTRIBUTIONS

In 2009, the Association received a donation of equipment valued at \$10,000. Deferred capital contributions are amortized into revenue to match the amortization of the related equipment.

	2015	2014
ICCAN Gift	\$ 10,000	\$ 10,000
Less: amortization of deferred capital contributions	(8,113)	(7,641)
Subtotal	1,887	2,359
Current portion of deferred capital contributions	(377)	(472)
	\$ 1,510	\$ 1,887

8. LEASE INDUCEMENT

In the initial five month rent free portion of the lease, ended June 30, 2015, the recognition of rent expense results in a deferred lease liability. This deferred liability is then reduced over the remaining 55 months of the lease term, when the monthly base rent increases.

**VOLUNTEER ALBERTA (THE ASSOCIATION OF VOLUNTEER CENTRES AND
VOLUNTEER ENGAGING ORGANIZATIONS OF ALBERTA)**

Notes to Financial Statements

Year Ended December 31, 2015

(Unaudited)

9. COMMITMENT

The current lease on the Association's premises expires on January 31, 2020 and provides for the following minimum base rent payments which amount to \$195,947, in aggregate, over the term of the lease:

February 1, 2015 to June 30, 2015: rent free

July 1, 2015 to January 31, 2017: \$3,389 per month

February 1, 2017 to January 31, 2019: \$3,588 per month

February 1, 2019 to January 31, 2020: \$3,787 per month

In addition to the monthly base rent payments, the Association is responsible for paying common area costs that vary from year to year and are presented as part of rent expense.

10. INTERNALLY RESTRICTED NET ASSETS

The Board of Directors for the Association has internally restricted \$50,000 (2014 - \$50,000) of its net assets in the event strategic funding is required.

11. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments. The following analysis provides information about the Association's risk exposure and concentration as of December 31, 2015. Unless otherwise noted, the Association's risk exposure has not changed from the prior year.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk from customers, and the maximum exposure to this risk is the carrying value of accounts receivable on the balance sheet. Management assesses the need for an allowance for potential credit losses by considering the credit risk of specific customers, historical trends, and other information.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the market interest rates. The Association is exposed to interest rate risk with respect to the amount of interest earned annually from cash funds on deposit with financial institutions.