

**ALBERTA WATER AND WASTEWATER  
OPERATORS ASSOCIATION**

**Financial Statements**

**Year Ended July 31, 2018**



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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Alberta Water and Wastewater Operators Association

*Report on the Financial Statements*

We have audited the accompanying financial statements of Alberta Water and Wastewater Operators Association, which comprise the statement of financial position as at July 31, 2018 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

*Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Alberta Water and Wastewater Operators Association as at July 31, 2018 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.

Edmonton, Alberta  
November 13, 2018

*KBH*  
Chartered Accountants

**ALBERTA WATER AND WASTEWATER OPERATORS ASSOCIATION**

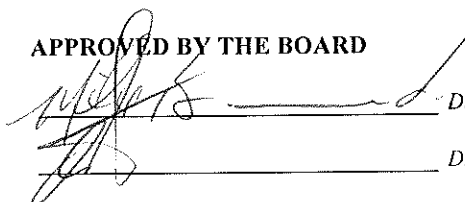
**Statement of Financial Position**

**July 31, 2018**

	2018	2017
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 21,011	\$ 56,655
Term deposits (Note 4)	978,164	406,457
Accounts receivable	2,232	-
Goods and services tax recoverable	216	450
Prepaid expenses	2,386	2,386
	<u>1,004,009</u>	<u>465,948</u>
TERM DEPOSITS (Note 4)	897,426	1,431,797
CAPITAL ASSETS (Note 5)	29,950	39,333
INTANGIBLE ASSETS (Note 6)	51,600	68,800
	<u>\$ 1,982,985</u>	<u>\$ 2,005,878</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 26,594	\$ 8,850
Vacation payable	17,500	36,500
Unearned revenues	33,420	14,963
Deferred contributions - scholarships (Notes 7, 8)	102,000	104,250
	<u>179,514</u>	<u>164,563</u>
<b>NET ASSETS</b>		
Invested in capital and intangible assets	81,550	108,133
Internally restricted for catastrophic events (Note 3)	400,000	400,000
Internally restricted for evergreening courses	325,000	325,000
Internally restricted for online training development	150,000	150,000
Internally restricted for scholarships (Note 8)	107,000	110,000
Internally restricted for training centre	350,000	350,000
Unrestricted	389,921	398,182
	<u>1,803,471</u>	<u>1,841,315</u>
	<u>\$ 1,982,985</u>	<u>\$ 2,005,878</u>

LEASE COMMITMENT (Note 9)

**APPROVED BY THE BOARD**

 Director

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Director

**ALBERTA WATER AND WASTEWATER OPERATORS ASSOCIATION**

**Statement of Operations**

**Year Ended July 31, 2018**

	2018	2017
<b>REVENUE</b>		
Banff seminar <i>(Schedule 1)</i>	\$ 395,256	\$ 382,259
Courses	652,648	654,890
Golf tournament	18,950	-
Interest income	43,336	35,160
Material sales	46,705	43,981
Memberships	111,241	115,249
Other income	26,114	7,499
Scholarships <i>(Note 7)</i>	2,250	3,500
	<u>1,296,500</u>	<u>1,242,538</u>
<b>EXPENSES</b>		
Amortization	13,632	15,540
Banff seminar <i>(Schedule 1)</i>	238,780	238,454
Board expenses	41,667	32,068
Bursaries and honorariums	9,384	11,270
Courses <i>(Note 6)</i>	440,490	418,936
Golf tournament	26,144	-
Insurance	6,140	6,276
Interest and bank charges	25,709	24,531
Material purchases	25,008	24,216
Membership levy	23,304	24,624
Newsletter	24,913	29,417
Office	12,119	16,078
Personnel restructuring	67,246	-
Professional fees	20,424	10,350
Rent	39,216	38,755
Salaries and wages	310,941	334,609
Telephone	5,972	6,061
Webpage	3,255	3,257
	<u>1,334,344</u>	<u>1,234,442</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>\$ (37,844)</b>	<b>\$ 8,096</b>

**ALBERTA WATER AND WASTEWATER OPERATORS ASSOCIATION**

**Statement of Changes in Net Assets**

**Year Ended July 31, 2018**

	2017 Balance	Deficiency of revenues over expenses	Investment in capital and intangible assets	2018 Balance
Invested in capital and intangible assets	\$ 108,133	\$ (30,833)	\$ 4,250	\$ 81,550
Internally restricted for catastrophic events <i>(Note 3)</i>	400,000	-	-	400,000
Internally restricted for evergreening courses	325,000	-	-	325,000
Internally restricted for online training development	150,000	-	-	150,000
Internally restricted for scholarships <i>(Note 8)</i>	110,000	(3,000)	-	107,000
Internally restricted for training centre	350,000	-	-	350,000
Unrestricted	398,182	(4,011)	(4,250)	389,921
	<u>\$ 1,841,315</u>	<u>\$ (37,844)</u>	<u>\$ -</u>	<u>\$ 1,803,471</u>

**ALBERTA WATER AND WASTEWATER OPERATORS ASSOCIATION**

**Statement of Cash Flows**

**Year Ended July 31, 2018**

	2018	2017
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses	\$ (37,844)	\$ 8,096
Items not affecting cash:		
Amortization of capital assets	13,632	15,540
Amortization of intangible assets	17,200	17,200
	<u>(7,012)</u>	<u>40,836</u>
Changes in non-cash working capital:		
Accounts receivable	(2,232)	10,988
Goods and services tax	234	2,451
Accounts payable and accrued liabilities	17,744	(15,178)
Vacation payable	(19,000)	15,000
Unearned revenue	18,457	14,963
Deferred contributions - scholarships	(2,250)	(3,500)
	<u>12,953</u>	<u>24,724</u>
Cash flow from operating activities	<u>5,941</u>	<u>65,560</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(4,250)	(18,815)
Purchase of intangible assets	-	(86,000)
Proceeds from redemption of term deposits	390,277	735,679
Purchases of term deposits	(427,612)	(764,838)
Cash flow used by investing activities	<u>(41,585)</u>	<u>(133,974)</u>
<b>DECREASE IN CASH FLOW</b>	<b>(35,644)</b>	<b>(68,414)</b>
Cash - beginning of year	<u>56,655</u>	<u>125,069</u>
<b>CASH - END OF YEAR</b>	<b>\$ 21,011</b>	<b>\$ 56,655</b>