

Fraser Valley Conservancy
Financial Statements
31-Dec-15

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February 11, 2016

Fraser Valley Conservancy
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FOR THE YEAR ENDED DECEMBER 31, 2015
(Unaudited)

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For the Period January 1, 2015 to December 31, 2015
Unaudited

REVIEW ENGAGEMENT REPORT

To the Directors of the Fraser Valley Conservancy

I have reviewed the balance sheet of the Fraser Valley Conservancy as at December 31, 2015 and the statements of income, retained earnings and cash flows for the 12 months, then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the Not-For-Profit.

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

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting standards for not-for-profits.

Michelle Cooper

Chilliwack, BC
February 11, 2016

Fraser Valley Conservancy
STATEMENT OF FINANCIAL POSITION
 FOR THE YEAR ENDED DECEMBER 31, 2015

(Unaudited)

ASSETS

| | 2015 | 2014 |
|------------------------------------|--------------------|------------------|
| | \$ | \$ |
| CURRENT ASSETS | | |
| Cash and Cash Equivalents | 215,838 | 108,823 |
| Cash, restricted RLAPP Project | - | 15,591 |
| Accounts Receivable | 17,329 | 33,344 |
| Goods and services tax recoverable | - | 1,648 |
| Prepaid expenses | - | 1,231 |
| | <u>233,168</u> | <u>160,637</u> |
| CAPITAL ASSETS | | |
| Property Endowment Fund | 43,935 | - |
| Endowment fund | 133,732 | 133,732 |
| Land Covenant | - | 85,000 |
| Land held in trust | 5,458,000 | 5,458,000 |
| Capital assets | 1,038 | 5,694 |
| | <u>5,636,706</u> | <u>5,682,426</u> |
| TOTAL ASSETS | <u>5,869,873</u> | <u>5,843,063</u> |
| | | |
| | LIABILITIES | |
| CURRENT LIABILITIES | | |
| Accounts Payable | - 3,356 | 11,142 |
| Payroll Liabilities | 1,588 | - |
| Deferred project contributions | 175,154 | 119,825 |
| | <u>173,387</u> | <u>130,967</u> |
| | | |
| | NET ASSETS | |
| Current Income | 78,457 | 3,238 |
| Unrestricted Net Assets | - | 3,292 |
| Temporarily Restricted Net Assets | - | - |
| Permanently Restricted Net Assets | 5,618,029 | 5,705,566 |
| | <u>5,696,486</u> | <u>5,712,096</u> |
| TOTAL NET ASSETS | <u>5,869,873</u> | <u>5,843,063</u> |

Fraser Valley Conservancy
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015
(Unaudited)

| | 2015 | 2014 |
|---|----------------|----------------|
| REVENUE | | |
| Grants | 469,616 | 145,811 |
| General Revenue | 70,379 | 103,042 |
| Donations | 47,375 | 30,855 |
| Interest | 2,986 | 6,712 |
| <i>Total Revenues</i> | <u>590,356</u> | <u>286,420</u> |
| EXPENDITURES | | |
| Advertising and promotion | 294 | - |
| Amortization | 5,006 | 2,018 |
| Bank service charges | 128 | 498 |
| Communications | 1,856 | 3,546 |
| Computer Maintenance | 377 | - |
| Field Equipment | 5,888 | - |
| Insurance | 1,200 | 1,175 |
| Land management and property taxes | 3,470 | 2,479 |
| Materials and supplies | 29,971 | 11,061 |
| Meetings & public events | 1,590 | 1,099 |
| Memberships | - | 631 |
| Memberships and permits | 881 | - |
| Office and administration | - | 1,048 |
| Payroll | 154,909 | 196,153 |
| Postage | 664 | - |
| Printing | 5,012 | 1,634 |
| Professional fees | 4,910 | 5,344 |
| Sub-contractors | 272,771 | 48,206 |
| Training and recognition | 648 | - |
| Travel and mileage | 22,324 | 8,290 |
| <i>Total Expenditures</i> | <u>511,899</u> | <u>283,182</u> |
| TOTAL EXCESS OF REVENUES OVER EXPENDITURES | <u>78,457</u> | <u>3,238</u> |

Fraser Valley Conservancy
STATEMENT OF ACTIVITIES - PROJECT VS OVERHEAD
 FOR THE YEAR ENDED DECEMBER 31, 2015
 (Unaudited)

| | Project | Overhead |
|---|--------------------------|--------------------------|
| REVENUE | | |
| Grants | 420,847 | 48,769 |
| General Revenue | 48,721 | 21,658 |
| Donations | 38,296 | 9,079 |
| Interest | - | 2,986 |
| <i>Total Revenues</i> | <u>507,864</u> | <u>82,492</u> |
| EXPENDITURES | | |
| Advertising and promotion | - | 294 |
| Amortization | - | 5,006 |
| Bank service charges | 118 | 10 |
| Communications | 1,000 | 856 |
| Computer Maintenance | - | 377 |
| Field Equipment | 5,888 | - |
| Insurance | - | 1,200 |
| Land management and property taxes | 3,470 | - |
| Materials and supplies | 29,819 | 151 |
| Meetings & public events | 1,340 | 250 |
| Memberships | - | - |
| Memberships and permits | 356 | 525 |
| Office and administration | - | - |
| Payroll | 114,664 | 40,245 |
| Postage | 306 | 358 |
| Printing | 4,498 | 514 |
| Professional fees | - | 4,910 |
| Sub-contractors | 272,771 | - |
| Training and recognition | - | 648 |
| Travel and mileage | 19,873 | 2,451 |
| <i>Total Expenditures</i> | <u>454,105</u> | <u>57,795</u> |
| TOTAL EXCESS OF REVENUES OVER EXPENDITURES | <u><u>53,759</u></u> | <u><u>24,697</u></u> |

Fraser Valley Conservancy
Notes to Financial Statements
FOR THE YEAR ENDED DECEMBER 31, 2015
(Unaudited)

1 Purpose of the Society

Fraser Valley Conservancy (the "Society") was incorporated under the Society Act of British Columbia on November 21, 1997 for the purpose of promoting the acquisition and preservation of areas with ecological and historic value in the Fraser Valley.

The Society is a registered charity under the Income Tax Act and accordingly is exempt from income taxes provided certain requirements of the Income Tax Act are met.

The Society operates under the Canadian Land Trust Alliance Standards which are the ethical and technical guidelines for the responsible operations of a land trust.

2 Summary of significant accounting policies

Basis of Presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organisations (GAAP).

Capital Assets

Capital assets are recorded at cost and amortized on the declining balance basis over estimated useful life at the rates noted below:

| | |
|--------------------|-----|
| Computer equipment | 30% |
| Computer software | 30% |
| Office Equipment | 20% |

One half of the above rates are applied in the year of acquisition.

Revenue recognition

The Society follows the deferral method of accounting for contributions which include donations and grants. Operating grants are recorded as revenue in the period to which they relate. Where a portion of a grant relates to a future period, it is deferred and recognized in the subsequent period.

Contributions of land to be held in trust are reported at fair market value at the time contributed.

Contributions of materials are reported at fair market value at the time contributed.

Revenue from fees are recognized when the services are provided.

Fraser Valley Conservancy
Notes to Financial Statements
FOR THE YEAR ENDED DECEMBER 31, 2015
(Unaudited)

2 Summary of significant accounting policies (*continued*)

Measurement uncertainty

When preparing financial statements according to Canadian ASNPO, management makes estimates and assumptions relating to:

- reported amounts of revenues and expenses
- reported amounts of assets and liabilities
- disclosure of contingent assets and liabilities

Assumptions are based on a number of factors including historical experience, current events and actions that the Society may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results could differ. In particular, estimates are used in accounting for certain items such as revenues, allowance for doubtful accounts, useful lives of capital assets, asset impairments, legal contingencies, employee compensation plans, and employee benefit plans.

3 Endowment fund

The endowment fund is held by Abbotsford Community Foundation and pays interest to the Society annually.

4 Land Covenant

Conservation covenant over lands located at 34750 and 34752 Walker Crescent, Abbotsford, BC

| | 2015 | | 2014 |
|----|------|----|--------|
| \$ | - | \$ | 85,000 |

5 Land held in trust

Land held in trust consists of the following:

| | 2015 | | 2014 |
|--|--------------|----|-----------|
| 33350 Industrial Avenue, Abbotsford, BC | \$ 1,665,000 | \$ | 1,665,000 |
| McKee Peak (Ledgview), Abbotsford, BC | \$ 1,815,300 | \$ | 1,815,300 |
| 30758 & 30796 South Fraser Way, Abbotsford, BC | \$ 1,850,000 | \$ | 1,850,000 |
| 48513 Auchenway Road, Chilliwack, BC | \$ 22,700 | \$ | 22,700 |
| Windebank Creek, Mission, BC | \$ 105,000 | \$ | 105,000 |
| | \$ 5,458,000 | \$ | 5,458,000 |

Fraser Valley Conservancy
Notes to Financial Statements
FOR THE YEAR ENDED DECEMBER 31, 2015
(Unaudited)

6 Capital assets

| | Cost | Accumulated amortization | 2015 Net book value | 2014 Net book value |
|--------------------|------------------|-----------------------------|------------------------|------------------------|
| Computer equipment | \$ 16,315 | \$ 16,315 | \$ - | \$ 3,330 |
| Computer software | \$ 350 | \$ 105 | \$ 245 | - |
| Office equipment | \$ 7,854 | \$ 7,060 | \$ 794 | \$ 2,364 |
| | <u>\$ 24,519</u> | <u>\$ 23,481</u> | <u>\$ 1,038</u> | <u>\$ 5,694</u> |

7 Financial instruments

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Society's risk exposure and concentration as of December 31, 2015.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society's exposure to credit risk is minimal as the accounts receivable relate mainly to investment income earned on the endowment fund and previously approved grants.

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 interest rates. The Society is exposed to interest risk with respect to cash and the endowment fund.