

Financial Statements of

**CREDIT VALLEY
CONSERVATION FOUNDATION**

Year ended December 31, 2013



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INDEPENDENT AUDITORS' REPORT

To the Members of Credit Valley Conservation Foundation

We have audited the accompanying financial statements of Credit Valley Conservation Foundation, which comprise the statement of financial position as at December 31, 2013, the statements of revenue and expenditures and changes in operating fund balance and cash flows for the year then ended, and notes, comprising 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 public sector accounting standards, 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.

Auditors' 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 our 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, we consider 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 qualified audit opinion.



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Basis for Qualified Opinion

In common with many charitable organizations, Credit Valley Conservation Foundation derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Credit Valley Conservation Foundation.

Therefore, we were not able to determine whether, as at December 31, 2013 and for the year ended December 31, 2013, any adjustments might be necessary to donations and excess (deficiency) of revenue over expenditures reported in the statement of revenue and expenditures, excess (deficiency) of revenue over expenditures reported in the statement of cash flows and assets and operating fund balances reported in the statement of financial position.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Credit Valley Conservation Foundation as at December 31, 2013, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

March 28, 2014
Toronto, Canada

CREDIT VALLEY CONSERVATION FOUNDATION

Statement of Financial Position

December 31, 2013, with comparative figures for 2012

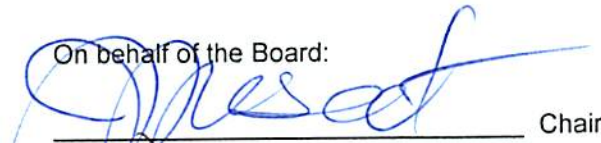
	2013	2012
Assets		
Cash	\$ 242,931	\$ 452,568
Accounts receivable	5,454	-
	<u>\$ 248,385</u>	<u>\$ 452,568</u>

Liabilities and Fund Balances

Liabilities:		
Accounts payable and accrued liabilities	\$ 60	\$ 266,909
Fund balances:		
Operating	15,928	15,792
Reserves (note 2) (Schedule)	232,397	169,867
	<u>248,325</u>	<u>185,659</u>
	<u>\$ 248,385</u>	<u>\$ 452,568</u>

See accompanying notes to financial statements.

On behalf of the Board:


_____ Chair


_____ Secretary/Treasurer

CREDIT VALLEY CONSERVATION FOUNDATION

Statement of Revenue and Expenditures and Changes in Operating Fund Balance

Year ended December 31, 2013, with comparative figures for 2012

	2013	2012
Revenue:		
Donations	\$ 809,314	\$ 548,251
Interest	3,357	5,439
	<u>812,671</u>	<u>553,690</u>
Expenditures:		
Amounts contributed to Credit Valley Conservation Authority (note 3)	652,161	747,580
Amounts contributed to the Community Foundation of Mississauga - Endowment Fund	15,180	15,000
Fundraising	79,422	25,120
Service charges and other	3,242	1,940
	<u>750,005</u>	<u>789,640</u>
Excess (deficiency) of revenue over expenditures	62,666	(235,950)
Operating fund balance, beginning of year	15,792	16,559
Appropriation from (to) reserves, net (Schedule)	(62,530)	235,183
Operating fund balance, end of year	<u>\$ 15,928</u>	<u>\$ 15,792</u>

See accompanying notes to financial statements.

CREDIT VALLEY CONSERVATION FOUNDATION

Statement of Cash Flows

Year ended December 31, 2013, with comparative figures for 2012

	2013	2012
Cash provided (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenditures	\$ 62,666	\$ (235,950)
Change in non-cash operating items:		
Decrease (increase) in accounts receivable	(5,454)	587
Increase (decrease) in accounts payable and accrued liabilities	(266,849)	266,849
Increase (decrease) in cash	(209,637)	31,486
Cash, beginning of year	452,568	421,082
Cash, end of year	\$ 242,931	\$ 452,568

See accompanying notes to financial statements.

CREDIT VALLEY CONSERVATION FOUNDATION

Notes to Financial Statements

Year ended December 31, 2013

On January 1, 2012, Credit Valley Conservation Foundation (the "Foundation") adopted Canadian Public Sector Accounting Standards. The Foundation has also elected to apply the 4200 standards for government not-for-profit organizations.

1. Significant accounting policies:

These financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards including the 4200 standards for government not-for-profit organizations.

(a) Accrual basis of accounting:

Revenue and expenditures are recorded on the accrual basis, whereby they are reflected in the accounts in the year in which they have been earned and incurred, respectively, whether or not such transactions have been finally settled by the receipt or payment of money.

(b) Revenue recognition:

The Foundation follows the deferral method of accounting for donations.

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

Externally restricted donations are recognized as revenue in the year in which the related expenses are recognized.

Donated materials and services received by the Foundation are not recognized in the financial statements because they would either not be used in the normal course of operations, nor would they otherwise be purchased by the Foundation. During 2013, the Foundation received \$38,025 of such donations-in-kind (2012 - \$30,799).

CREDIT VALLEY CONSERVATION FOUNDATION

Notes to Financial Statements (continued)

Year ended December 31, 2013

1. Significant accounting policies (continued):

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Foundation has not elected to carry any such financial instruments at fair value.

(d) Use of estimates:

The preparation of financial statements 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 revenue and expenditures during the year. Actual results could differ from those estimates.

2. Reserves:

Reserves for future expenditures and contingencies are established as required at the discretion of the directors of the Foundation. Increases or decreases in these reserves are made by appropriations to or from operations.

CREDIT VALLEY CONSERVATION FOUNDATION

Notes to Financial Statements (continued)

Year ended December 31, 2013

3. Amounts contributed to Credit Valley Conservation Authority:

This amount relates to the following amounts contributed to Credit Valley Conservation Authority, excluding in-kind donations:

2013	
AD Latomell Conference Subsidy	\$ 15,000
Bras Property Grassland Restoration	18,653
Community Tree Planting	79,030
Conservation Youth Corp	130,000
Dods & McNair Memorial Forest	8,100
Island Lake Raised Boardwalk	150,672
Memorial Bench Program	2,900
Miscellaneous CVCA Projects	126,083
Ratray Marsh Restoration Projects	80,399
Ratray Marsh Trails	20,955
Terra Cotta Amphitheatre	1,577
Terra Cotta Sugar Shack	10,480
Fundraising costs	8,312
	<hr/>
	\$ 652,161

2012	
AD Latomell Conference Subsidy	\$ 30,000
Conservation Youth Corp	131,776
Dods & McNair Memorial Forest	19,131
Donations/Grants-CVCA Special Projects	165,110
Elora Cataract Trailway	50
Island Lake Community Trails	359,702
Memorial Bench Program	1,500
Ratray Marsh Living Discovery	(33,371)
Terra Cotta Amphitheatre	47,500
Fundraising costs	26,182
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	\$ 747,580

4. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

CREDIT VALLEY CONSERVATION FOUNDATION

Schedule of Continuity of Reserves

Year ended December 31, 2013, with comparative figures for 2012

2013	Balance, beginning of year	Appropriation from (to) operations	Balance, end of year
Environmental Education	\$ 100,577	\$ (65,501)	\$ 35,076
Legacy	130	195	325
Other	8,401	45,576	53,977
Restoration and Rehabilitation	9,966	16,993	26,959
Trails and Eco Sustainable Rec	50,772	65,288	116,060
Donation Grants-CVCA Special Project	21	(21)	-
	\$ 169,867	\$ 62,530	\$ 232,397

2012	Balance, beginning of year	Appropriation from (to) operations	Balance, end of year
Environmental Education	\$ 27,876	\$ 72,701	\$ 100,577
Legacy	-	130	130
Other	70,359	(61,958)	8,401
Restoration and Rehabilitation	48,416	(38,450)	9,966
Trails and Eco Sustainable Rec	192,699	(141,927)	50,772
Donation Grants-CVCA Special Project	65,700	(65,679)	21
	\$ 405,050	\$ (235,183)	\$ 169,867

In fiscal 2013, management has decided to group together reserves of similar nature.