Financial Statements of

CREDIT VALLEY CONSERVATION FOUNDATION

Year ended December 31, 2016



KPMG LLP Vaughan Metropolitan Centre 100 New Park Place, Suite 1400 Vaughan ON L4K 0J3 Canada Tel 905-265-5900 Fax 905-265-6390

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, 2016, 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 and for the years ended December 31, 2016 and December 31, 2015, any adjustments might be necessary to donations and excess (deficiency) of revenue over expenditures reported in the statements of revenue and expenditures and changes in operating fund balances, excess (deficiency) of revenue over expenditures reported in the statements of cash flows and assets and operating fund balances reported in the statements of financial position. This caused us to qualify our audit opinion on the financial statements as at and for the year ended December 31, 2015.

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, 2016, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants, Licensed Public Accountants

May 15, 2017 Vaughan, Canada

KPMG LLP

Statement of Financial Position

December 31, 2016, with comparative information for 2015

	 2016	 2015
Assets		
Cash and cash equivalents Accounts receivable	\$ 437,741 2,853	\$ 219,169 2,660
	\$ 440,594	\$ 221,829
Liabilities and Fund Balances		
Liabilities: Accounts payable and accrued liabilities	\$ 274	\$ 64
und balances: Operating 11,982 Reserves (note 2) 428,338	14,090 207,675	
	 440,320	 221,765
	\$ 440,594	\$ 221,829

See accompanying notes to financial statements.

On behalf of the Board:

Chair

Secretary/Treasurer

Statement of Revenue and Expenditures and Changes in Operating Fund Balance

Year ended December 31, 2016, with comparative information for 2015

		2016	2015
Revenue:			
Donations	\$	540,637	\$ 399,070
Grants	<u> </u>	400,478	902,647
Interest		2,990	3,218
		944,105	1,304,935
Expenditures:			
Amounts contributed to Credit Valley Conservation			
Authority (note 3)		523,430	1,546,765
Amounts contributed to the Community Foundation			
of Mississauga		223	5,000
Administration (note 4)		113,404	30,600
Fundraising (note 4)		83,618	74,588
Service charges and other		5,098	4,551
		725,550	1,661,504
Excess (deficiency) of revenue over expenditures		218,555	(356,569)
Operating fund balance, beginning of year		14,090	15,423
Appropriation from (to) reserves, net		(220,663)	355,236
Operating fund balance, end of year	\$	11,982	\$ 14,090

See accompanying notes to financial statements.

Statement of Cash Flows

Year ended December 31, 2016, with comparative information for 2015

	2016	2015
Cash provided (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenditures Change in non-cash operating items:	\$ 218,555	\$ (356,569)
Decrease (increase) in accounts receivable Increase (decrease) in accounts payable and	(193)	62,868
accrued liabilities	 210	 (15)
Increase (decrease) in cash and cash equivalents	218,572	(293,716)
Cash and cash equivalents, beginning of year	219,169	512,885
Cash and cash equivalents, end of year	\$ 437,741	\$ 219,169

See accompanying notes to financial statements.

Notes to Financial Statements

Year ended December 31, 2016

Credit Valley Conservation Foundation (the "Foundation") is incorporated without share capital under the laws of the province of Ontario. The Foundation is classified as a registered charity under the Income Tax Act (Canada) and, as such, is not subject to income taxes provided certain disbursement requirements are met. Its objective is to raise, manage and distribute funds to the projects and programs developed by Credit Valley Conservation Authority.

1. Significant accounting policies:

(a) Basis of presentation:

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.

(b) 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.

(c) Revenue recognition:

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

Interest revenue is accrued as earned.

(d) 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.

Notes to Financial Statements (continued)

Year ended December 31, 2016

1. Significant accounting policies (continued):

(e) Contributed material and services:

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 2016, the Foundation received \$13,355 of such donations in-kind (2015 - \$15,494).

(f) 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.

Notes to Financial Statements (continued)

Year ended December 31, 2016

3. Amounts contributed to Credit Valley Conservation Authority:

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

		Amoun
A.D. Latornell Symposium	\$	15,000
Aquatic & Wetland Restoration	·	40,090
Closed the Gap: Island Lake Community Trails		2,009
Environmental Education		8,538
Grassland Birds Program		39,933
Community Tree Planting		186,025
Conservation Youth Corp		117,460
Dods & McNair Memorial Forest		11,061
Landowner Outreach Program		46,271
LID Performance & Risk Assessment in Western Lake Ontario		23,000
Island Lake CA Amphitheatre		5,350
sland Lake Adopt a Dock Program (Fishing Pier)		3,000
Rattray Marsh Restoration Projects		25,063
Rudd Dam Hydraulic analysis		630
	\$	523,430
2015		Amount
Bacon Property acquisition (Caledon Lake Forest)	\$	33,500
Closed the Gap: Island Lake Community Trails	\$	33,500 584,174
Closed the Gap: Island Lake Community Trails Commemorative Bench Program: Island Lake	\$	33,500 584,174 9,750
Closed the Gap: Island Lake Community Trails Commemorative Bench Program: Island Lake Credit Valley Trail	\$	33,500 584,174 9,750 50,000
Closed the Gap: Island Lake Community Trails Commemorative Bench Program: Island Lake Credit Valley Trail Grassland Bird Recovery Program	\$	33,500 584,174 9,750 50,000 45,820
Closed the Gap: Island Lake Community Trails Commemorative Bench Program: Island Lake Credit Valley Trail Grassland Bird Recovery Program Caledon Creek Stream Restoration	\$	33,500 584,174 9,750 50,000 45,820 21,613
Closed the Gap: Island Lake Community Trails Commemorative Bench Program: Island Lake Credit Valley Trail Grassland Bird Recovery Program Caledon Creek Stream Restoration Community Tree Planting	\$	33,500 584,174 9,750 50,000 45,820 21,613 100,772
Closed the Gap: Island Lake Community Trails Commemorative Bench Program: Island Lake Credit Valley Trail Grassland Bird Recovery Program Caledon Creek Stream Restoration Community Tree Planting Conservation Youth Corp	\$	33,500 584,174 9,750 50,000 45,820 21,613 100,772 150,020
Closed the Gap: Island Lake Community Trails Commemorative Bench Program: Island Lake Credit Valley Trail Grassland Bird Recovery Program Caledon Creek Stream Restoration Community Tree Planting Conservation Youth Corp Oods & McNair Memorial Forest	\$	33,500 584,174 9,750 50,000 45,820 21,613 100,772 150,020 12,000
Closed the Gap: Island Lake Community Trails Commemorative Bench Program: Island Lake Credit Valley Trail Grassland Bird Recovery Program Caledon Creek Stream Restoration Community Tree Planting Conservation Youth Corp Oods & McNair Memorial Forest Developing Environmental-Benefit Index	\$	33,500 584,174 9,750 50,000 45,820 21,613 100,772 150,020 12,000 40,000
Closed the Gap: Island Lake Community Trails Commemorative Bench Program: Island Lake Credit Valley Trail Grassland Bird Recovery Program Caledon Creek Stream Restoration Community Tree Planting Conservation Youth Corp Cods & McNair Memorial Forest Developing Environmental-Benefit Index Sland Lake CA Stage Project	\$	33,500 584,174 9,750 50,000 45,820 21,613 100,772 150,020 12,000 40,000
Closed the Gap: Island Lake Community Trails Commemorative Bench Program: Island Lake Credit Valley Trail Grassland Bird Recovery Program Caledon Creek Stream Restoration Community Tree Planting Conservation Youth Corp Cods & McNair Memorial Forest Developing Environmental-Benefit Index Sland Lake CA Stage Project Otherson Bypass Project	\$	33,500 584,174 9,750 50,000 45,820 21,613 100,772 150,020 12,000 40,000 40,000 9,800
Closed the Gap: Island Lake Community Trails Commemorative Bench Program: Island Lake Credit Valley Trail Grassland Bird Recovery Program Caledon Creek Stream Restoration Community Tree Planting Conservation Youth Corp Cods & McNair Memorial Forest Developing Environmental-Benefit Index Sland Lake CA Stage Project Othnson Bypass Project Eattray Marsh Restoration Projects	\$	33,500 584,174 9,750 50,000 45,820 21,613 100,772 150,020 12,000 40,000 40,000 9,800 408,321
Closed the Gap: Island Lake Community Trails Commemorative Bench Program: Island Lake Credit Valley Trail Grassland Bird Recovery Program Caledon Creek Stream Restoration Community Tree Planting Conservation Youth Corp Cods & McNair Memorial Forest Developing Environmental-Benefit Index Saland Lake CA Stage Project Cohnson Bypass Project Cattray Marsh Restoration Projects Lave the Ash Tree (EAB)	\$	33,500 584,174 9,750 50,000 45,820 21,613 100,772 150,020 12,000 40,000 40,000 9,800 408,321 19,995
Closed the Gap: Island Lake Community Trails Commemorative Bench Program: Island Lake Credit Valley Trail Grassland Bird Recovery Program Caledon Creek Stream Restoration Community Tree Planting Conservation Youth Corp Cods & McNair Memorial Forest Developing Environmental-Benefit Index Saland Lake CA Stage Project Cohnson Bypass Project Cattray Marsh Restoration Projects Lave the Ash Tree (EAB) Lerra Cotta/Robert Baker Property	\$	33,500 584,174 9,750 50,000 45,820 21,613 100,772 150,020 12,000 40,000 40,000 9,800 408,321 19,995 14,500
Closed the Gap: Island Lake Community Trails Commemorative Bench Program: Island Lake Credit Valley Trail Grassland Bird Recovery Program Caledon Creek Stream Restoration Community Tree Planting Conservation Youth Corp Cods & McNair Memorial Forest Developing Environmental-Benefit Index Saland Lake CA Stage Project Cohnson Bypass Project Cattray Marsh Restoration Projects Lave the Ash Tree (EAB)	\$	33,500 584,174 9,750 50,000 45,820 21,613 100,772 150,020 12,000 40,000 40,000 9,800 408,321 19,995

Notes to Financial Statements (continued)

Year ended December 31, 2016

4. Administrative and fundraising expenses:

During the year, the Foundation also paid the Authority \$113,404 (2015 - \$30,600) for administrative and \$9,323 (2015 - \$13,033) for fundraising expenses. These expenses are presented as administration expense or fundraising expenses in the statement of revenue and expenditures and changes in operating fund balances.

5. Comparative information:

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

Schedule of Continuity of Reserves

Year ended December 31, 2016, with comparative information for 2015

	\$ 207,675	\$ 220,663	\$ 428,338	
ondesignated - 1 Ost out 1 ZZ/ 1Z				
Undesignated - Golf Tournament Undesignated - Post Jun 22/12	14,453 13,759	(14,453) 532	- 14,291	
Undesignated - Canoe the Credit	16,833	(16,833)	_	
Undesignated - Bonspiel	10.000	1,840	1,840	
Undesignated - Be a Conservation Hero	_	5,960	5,960	
Undesignated - Conservation Gala	34,574	59,793	94,367	
Terra Cotta	1,422	289	1,711	
Save the Ash Tree (EAB)	215	625	840	
Rattray Marsh Restoration	1,660	850	2,510	
Memorial Bench Program	_	6,730	6,730	
Land Securement	550	42,370	42,920	
Island Lake Trail - Maintenance		35,000	35,000	
Island Lake Derbies	-	18,784	18,784	
Island Lake Community Trail	16,727	4,238	20,965	
Island Lake Amphitheatre	_	39,900	39,900	
Friends of Island Lake	2,585	12,986	15,571	
Endowment	550	2,099	2,649	
Dod's & McNair Memorial Forest	9,761	714	10,475	
CVCA Special Projects	22,817	47,575	70,392	
Credit Valley Trail	3,275	30,050	33,325	
Credit Forever Peter Orphanos Tree Planting	7,448	(02,000)	7,448	
Conservation Youth Corp	35,250	(32,590)	2,660	
Be a Conservation Hero Community Tree Planting	\$ 18,159 7,637	\$ (18,159) (7,637)	\$ _	
De a Companyation Have	A 40.450		•	
2016	of year	operations	end of year	
	beginning	from (to)	Balance,	
	Balance,	Appropriation		

Schedule of Continuity of Reserves (continued)

Year ended December 31, 2016, with comparative information for 2015

	Balance,	Appropriation	
001=(, =)	beginning	from (to)	Balance,
2015 (note 5)	of year	operations	end of year
Be a Conservation Hero	\$ -	\$ 18,159	\$ 18,159
Community Tree Planting	8,425	(788)	7,637
Conservation Youth Corp	21,020	14,230	35,250
Credit Forever Peter Orphanos Tree Planting	7,448		7,448
Credit Valley Trail	-	3,275	3,275
CVCA Special Projects	20,000	2,817	22,817
Dod's & McNair Memorial Forest	11,790	(2,029)	9,761
Endowment	5,310	(4,760)	550
Friends of Island Lake	62	2,585	2,585
Island Lake Community Trail	301,267	(284,540)	16,727
Land Securement	820	(270)	550
Memorial Bench Program	900	(900)	
Rattray Marsh Restoration	87,885	(86,225)	1,660
Save the Ash Tree (EAB)	11,645	(11,430)	215
Terra Cotta	638	784	1,422
Undesignated - Canoe the Credit	5,000	11,833	16,833
Undesignated - Conservation Gala	37,406	(2,832)	34,574
Undesignated - Golf Tournament	14,453		14,453
Undesignated - Post Jun 22/12	28,904	(15,145)	13,759
	\$ 562,911	\$ (355,236)	\$ 207,675