

**Credit Valley Conservation Foundation**  
**Financial Statements**  
**For the year ended December 31, 2023**

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**For the year ended December 31, 2023**

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## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying financial statements of Credit Valley Conservation Foundation (the "Foundation") are the responsibility of the Foundation's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

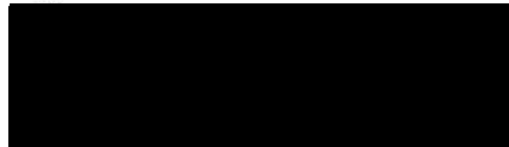
The Foundation's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by Management.

Members meet with Management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Foundation. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Foundation's financial statements.



Chair  
Ed Arundell  
June 27, 2024



Secretary/Treasurer  
Quentin Hanchard  
June 27, 2024



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## Independent Auditor's Report

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To the Members of Credit Valley Conservation Foundation

### Qualified Opinion

We have audited the accompanying financial statements of Credit Valley Conservation Foundation (the "Foundation"), which comprise the statement of financial position as at December 31, 2023, and the statements of operations and changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Qualified Opinion

In common with many charitable organizations, the Foundation derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising and donation revenue, excess of revenues over expenses, cash flows from operations for the years ended December 31, 2023 and 2022, current assets as at December 31, 2023 and 2022, and net assets as at January 1, 2023 and December 31, 2023 and 2022s. Our audit opinion on the financial statements for the year ended December 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.





### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Foundation to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

Barrie, Ontario  
June 27, 2024

**Credit Valley Conservation Foundation**  
**Statement of Financial Position**

**December 31** **2023** 2022

**Assets**

Cash	\$ 1,200,208	\$ 1,013,530
Accounts receivable	<u>162,116</u>	<u>208,623</u>
	<b>\$ 1,362,324</b>	<b>\$ 1,222,153</b>

**Liabilities and Fund Balances**

**Liabilities:**

Accounts payable and accrued liabilities	<u>\$ 50,400</u>	<u>\$ 10,491</u>
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**Contractual rights (Note 5)**

**Fund balances:**

Operating	19,180	24,090
Reserves (Note 2)	<u>1,292,744</u>	<u>1,187,572</u>
	<u>1,311,924</u>	<u>1,211,662</u>
	<b>\$ 1,362,324</b>	<b>\$ 1,222,153</b>

Approved by Board

 Chair

 Secretary/Treasurer

**Credit Valley Conservation Foundation**  
**Statement of Operations and Changes in Operating Fund Balance**

For the year ended December 31	2023	2022
<b>Revenue</b>		
Donations	\$ 442,425	\$ 412,033
Grants	1,414,909	488,664
Interest	-	1,096
	<u>1,857,334</u>	<u>901,793</u>
<b>Expenses</b>		
Amounts contributed to Credit Valley Conservation Authority (Note 3)	1,546,946	504,378
Administration (Note 4)	66,529	98,388
Fundraising (Note 4)	95,856	49,699
Service charges and other	5,241	5,532
Professional charges	42,500	-
	<u>1,757,072</u>	<u>657,997</u>
Excess of revenue over expenses	100,262	243,796
Operating fund balance, beginning of year	24,090	28,526
Appropriation to reserves, net (Schedule 1)	(105,172)	(248,232)
Operating fund balance, end of year	<u>\$ 19,180</u>	<u>\$ 24,090</u>

**Credit Valley Conservation Foundation**  
**Statement of Cash Flows**

For the year ended December 31	2023	2022
<b>Operating activities:</b>		
Excess of revenue over expenses	\$ 100,262	\$ 243,796
Change in non-cash operating items:		
Decrease in accounts receivable	46,507	(29,655)
Increase in accounts payable and accrued liabilities	39,909	9,894
	<u>186,678</u>	<u>224,035</u>
Increase in cash	186,678	224,035
Cash, beginning of year	1,013,530	789,495
Cash, end of year	<u>\$ 1,200,208</u>	<u>\$ 1,013,530</u>



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## Credit Valley Conservation Foundation

### Notes to the Financial Statements

December 31, 2023

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#### 1. Summary of Significant Accounting Policies

##### **Nature and Purpose of Organization**

Credit Valley Conservation Foundation (the "Foundation") was incorporated in December 1964 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.

##### **Basis of Accounting**

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.

##### **Revenue Recognition**

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.

The Foundation follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

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.

##### **Use of Estimates**

The preparation of financial statements in accordance with Canadian public sector accounting standards, including section 4200 standards for government not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. The principal estimates used in the preparation of these financial statements includes accrued receivables and accrued liabilities. Actual results could differ from management's best estimates as additional information becomes available in the future.



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**Credit Valley Conservation Foundation**  
**Notes to the Financial Statements**

**December 31, 2023**

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**1. Summary of Significant Accounting Policies (continued)**

**Contributed Materials 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 2023, the Foundation received \$52,993 (2021 - \$50,385) of such in-kind donations.

**Allocation of Expenses**

The Foundation allocates human resource costs based on the time spent by staff for operations, fundraising activities and Board activities.

**Financial Instruments**

Financial instruments are recorded at fair value when acquired or issued. 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.

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**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.

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**Credit Valley Conservation Foundation**  
**Notes to the Financial Statements**

**December 31, 2023**

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**3. Amounts Contributed to Credit Valley Conservation Authority**

The following amounts were contributed to Credit Valley Conservation Authority (the "Authority"):

2023	Amount
Brook Trout Habitat Restoration	\$ 82,800
Community Tree Planting	144,475
Conservation Gala: Credit Valley Trail	10,180
Conservation Youth Corp: CYC General	44,798
Credit Valley Trail	776,181
General Donations	8,259
Greening Corporate Grounds	34,415
Island Lake Conservation Area: ILCA General	8,558
Parks	105,272
RBC Nature Tech RROIT	100,000
School Rain Garden	48,130
SNAP Cook	8,000
SNAP Hungry Hollow	10,000
SNAP Fletchers Creek	5,000
Southdown Study	48,841
Students for Stormwater	10,600
Wetland & Aquatic Habitat Restoration	101,437
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	\$ 1,546,946

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**Credit Valley Conservation Foundation**  
**Notes to the Financial Statements**

**December 31, 2023**

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**3. Amounts Contributed to Credit Valley Conservation Authority (continued):**

2022	Amount
Brook Trout Habitat Restoration	\$ 5,000
Business Case for Natural Assets	200
Community Tree Planting	10,200
Credit Valley Trail	4,726
Dods & McNair Memorial Forest	23,052
Dog Strangling Vine Project	750
Island Lake Conservation Area: Covered Bridge	2,000
Landscape Science	2,200
Memorial Bench Program	1,650
Natural Based Solutions Stormwater	31,405
RBC Nature Tech RROIT	100,000
Reducing Heat Vulnerability	189,576
Restoration & Management	100
School Rain Garder	53,798
SNAP Hungry Hollow	19,950
SNAP Fletchers Creek	2,000
STEP Water LID Training	26,771
Students for Stormwater	18,800
Water Climate Change	200
Wetland & Aquatic Habitat Restoration	12,000
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	\$ 504,378

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**4. Administrative and Fundraising Expenses**

The Credit Valley Conservation Authority exercises economic interest over the Foundation as the Foundation was established to raise funds and obtain resources for the exclusive use of the Authority. During the year, the Foundation contributed \$1,546,946 (2022 - \$504,378) towards projects in the Authority. Additionally, the Foundation paid the Authority \$66,529 (2022 - \$98,388) for administrative and \$4,521 (2022 - \$nil) for fundraising expenses. These expenses are presented as fundraising and administration expenses, respectively, in the statement of operations. These transactions are measured at cost.

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**5. Contractual Rights**

As at December 31, 2023, the Foundation has a number of contracts in place with various donors and sponsors to receive a total of \$561,305 over the course of 2024 to 2025.

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**Credit Valley Conservation Foundation**  
**Notes to the Financial Statements**

**December 31, 2023**

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**6. Financial Instruments Risks**

Credit risk

The Foundation is exposed to credit risk arising from its accounts receivable. The majority of the Foundation's receivables are from government resources. As well, the Foundation's bank accounts are held at a Canadian chartered bank. There has been no change to this risk from prior year.

Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting financial obligations as they fall due. The Foundation mitigates this risk by ensuring that it always has sufficient cash to allow it to meet its liabilities when they become due. Liquidity risk arises from accounts payable and accrued liabilities. There has been no change to this risk from prior year.

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**Credit Valley Conservation Foundation**  
**Continuity of Reserves**  
**Schedule 1**

Year ended December 31, 2023 with comparative information for 2022

2023	Balance, beginning of year	Appropriation (to) from Operations	Balance, end of year
Community Engagement	\$ 140,211	\$ (80,724)	\$ 59,487
Community Service Recovery Fund	-	57,500	57,500
Conservation Gala	309,303	102,430	411,733
Conservation Projects	16,600	29,994	46,594
Conservation Youth Corp	31,844	(6,823)	25,021
Credit Valley Trail	177,457	(9,757)	167,700
CVCA Special Projects	30,716	-	30,716
Dod's & McNair Memorial Forest	6,906	-	6,906
Endowment	9,571	-	9,571
General Donations	289,978	(2,106)	287,872
Island Lake Conservation Area	75,326	(21,303)	54,023
Land Securement	16,295	410	16,705
Morphology Exhibit	968	-	968
Parks	37,183	35,551	72,734
Rattray Marsh Conservation Area	45,214	-	45,214
	\$ 1,187,572	\$ 105,172	\$ 1,292,744

2022	Balance, beginning of year	Appropriation (to) from Operations	Balance, end of year
Community Engagement	\$ -	\$ 140,211	\$ 140,211
Conservation Gala	251,562	57,741	309,303
Conservation Projects	-	16,600	16,600
Conservation Youth Corp	-	31,844	31,844
Corporate Volunteer Program	10,200	(10,200)	-
Credit Valley Trail	102,066	75,391	177,457
CVCA Special Projects	189,650	(158,934)	30,716
Dod's & McNair Memorial Forest	27,470	(20,564)	6,906
Endowment	9,571	-	9,571
General Donations	210,478	79,500	289,978
Island Lake Conservation Area	77,326	(2,000)	75,326
Land Securement	14,285	2,010	16,295
Memorial Bench Program	550	(550)	-
Morphology Exhibit	968	-	968
Parks	-	37,183	37,183
Rattray Marsh Conservation Area	45,214	-	45,214
	\$ 939,340	\$ 248,232	\$ 1,187,572