

Financial Statements of

**CREDIT VALLEY
CONSERVATION FOUNDATION**

Year ended December 31, 2015



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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, 2015, 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, 2015 and December 31, 2014, any adjustments might be necessary to donations and excess (deficiency) of revenue over expenditures reported in the statements of revenue and expenditures, 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, 2014.

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, 2015, 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

April 26, 2016
Toronto, Canada

CREDIT VALLEY CONSERVATION FOUNDATION

Statement of Financial Position

December 31, 2015, with comparative information for 2014

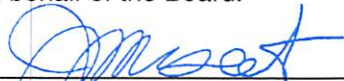
	2015	2014
Assets		
Cash and cash equivalents	\$ 219,169	\$ 512,885
Accounts receivable	2,660	65,528
	<u>\$ 221,829</u>	<u>\$ 578,413</u>

Liabilities and Fund Balances

Liabilities:		
Accounts payable and accrued liabilities	\$ 64	\$ 79
Fund balances:		
Operating	14,090	15,423
Reserves (note 2)	207,675	562,911
	<u>221,765</u>	<u>578,334</u>
	<u>\$ 221,829</u>	<u>\$ 578,413</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, 2015, with comparative information for 2014

	2015	2014
Revenue:		
Donations	\$ 399,070	\$ 420,636
Grants	902,647	415,199
Interest	3,218	3,926
	<u>1,304,935</u>	<u>839,761</u>
Expenditures:		
Amounts contributed to Credit Valley Conservation Authority (note 3)	1,546,765	396,275
Amounts contributed to the Community Foundation of Mississauga	5,000	—
Administration (note 4)	30,600	33,227
Fundraising (note 4)	74,588	75,819
Service charges and other	4,551	4,431
	<u>1,661,504</u>	<u>509,752</u>
Excess (deficiency) of revenue over expenditures	(356,569)	330,009
Operating fund balance, beginning of year	15,423	15,928
Appropriation from (to) reserves, net	355,236	(330,514)
<u>Operating fund balance, end of year</u>	<u>\$ 14,090</u>	<u>\$ 15,423</u>

See accompanying notes to financial statements.

CREDIT VALLEY CONSERVATION FOUNDATION

Statement of Cash Flows

Year ended December 31, 2015, with comparative information for 2014

	2015	2014
Cash provided (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenditures	\$ (356,569)	\$ 330,009
Change in non-cash operating items:		
Decrease (increase) in accounts receivable	62,868	(60,074)
Increase (decrease) in accounts payable and accrued liabilities	(15)	19
Increase (decrease) in cash and cash equivalents	(293,716)	269,954
Cash and cash equivalents, beginning of year	512,885	242,931
Cash and cash equivalents, end of year	\$ 219,169	\$ 512,885

See accompanying notes to financial statements.

CREDIT VALLEY CONSERVATION FOUNDATION

Notes to Financial Statements

Year ended December 31, 2015

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.

(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.

CREDIT VALLEY CONSERVATION FOUNDATION

Notes to Financial Statements (continued)

Year ended December 31, 2015

1. Significant accounting policies (continued):

(d) 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 2015, the Foundation received \$15,494 of such donations in-kind (2014 - \$15,709).

(e) 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, 2015

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:

2015	Amount
Bacon Property acquisition (Caledon Lake Forest)	\$ 33,500
Closed the Gap: Island Lake Community Trails	584,174
Commemorative Bench Program: Island Lake	9,750
Credit Valley Trail	50,000
Grassland Bird Recovery Program	45,820
Caledon Creek Stream Restoration	21,613
Community Tree Planting	100,772
Conservation Youth Corp	150,020
Dods & McNair Memorial Forest	12,000
Developing Environmental-Benefit Index	40,000
Island Lake CA Stage Project	40,000
Johnson Bypass Project	9,800
Ratray Marsh Restoration Projects	408,321
Save the Ash Tree (EAB)	19,995
Terra Cotta/Robert Baker Property	14,500
UCCA Brook Trout Habitat Restoration	6,500
	<u>\$ 1,546,765</u>

2014	Amount
AD Latornell Conference Subsidy	\$ 15,000
Community Tree Planting	33,899
Conservation Youth Corp.	111,000
Dods & McNair Memorial Forest	3,000
Memorial Bench Program	4,200
Miscellaneous CVCA Projects	39,191
Ratray Marsh Restoration Projects	19,622
Ratray Marsh Trails	31,583
Terra Cotta Sugar Shack	375
Close the Gap	90,000
Grassland Bird Recovery	38,179
Rotary Club Gazebo	7,500
Save the Ash	2,726
	<u>\$ 396,275</u>

CREDIT VALLEY CONSERVATION FOUNDATION

Notes to Financial Statements (continued)

Year ended December 31, 2015

4. Administrative and fundraising expenses:

During the year, the Foundation also paid the Authority \$30,600 (2014 - \$33,227) for administrative and \$13,033 (2014 - \$2,518) for fundraising expenses. These expenses are presented as administration expense or fundraising expenses in the statement of revenue and expenditures.

5. Comparative information:

Certain comparative information 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, 2015, with comparative information for 2014

	Balance, beginning of year	Appropriation from (to) operations	Balance, end of year
2015			
Environmental Education	\$ 21,657	\$ 15,014	\$ 36,671
Legacy	6,130	(5,030)	1,100
Other	106,664	16,517	123,181
Restoration and Rehabilitation	127,193	(100,472)	26,721
Trails and Eco Sustainable Rec	301,267	(281,265)	20,002
	\$ 562,911	\$ (355,236)	\$ 207,675

	Balance, beginning of year	Appropriation from (to) operations	Balance, end of year
2014			
Environmental Education	\$ 35,076	\$ (13,419)	\$ 21,657
Legacy	325	5,805	6,130
Other	53,977	52,687	106,664
Restoration and Rehabilitation	26,959	100,234	127,193
Trails and Eco Sustainable Rec	116,060	185,207	301,267
	\$ 232,397	\$ 330,514	\$ 562,911