

Financial Statements of

**CREDIT VALLEY  
CONSERVATION FOUNDATION**

Year ended December 31, 2017



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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, 2017, 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, 2017 and December 31, 2016, 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, 2016.

*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, 2017, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*KPMG LLP*

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Chartered Professional Accountants, Licensed Public Accountants

April 20, 2018  
Vaughan, Canada

# CREDIT VALLEY CONSERVATION FOUNDATION

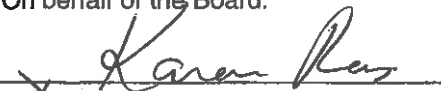
## Statement of Financial Position

December 31, 2017, with comparative information for 2016

|  | 2017              | 2016              |
|--|-------------------|-------------------|
| <b>Assets</b>                            |                   |                   |
| Cash and cash equivalents                | \$ 357,426        | \$ 437,741        |
| Accounts receivable                      | 661               | 2,853             |
|  | <u>\$ 358,087</u> | <u>\$ 440,594</u> |
| <b>Liabilities and Fund Balances</b>     |                   |                   |
| <b>Liabilities:</b>                      |                   |                   |
| Accounts payable and accrued liabilities | \$ 33,868         | \$ 274            |
| <b>Fund balances:</b>                    |                   |                   |
| Operating                                | 12,940            | 11,982            |
| Reserves (note 2)                        | 311,279           | 428,338           |
|  | <u>324,219</u>    | <u>440,320</u>    |
|  | <u>\$ 358,087</u> | <u>\$ 440,594</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, 2017, with comparative information for 2016

|  | 2017             | 2016             |
|--|------------------|------------------|
| Revenue:   |                  |                  |
| Donations  | \$ 511,308       | \$ 540,637       |
| Grants   | 813,987          | 400,478          |
| Interest   | 5,425            | 2,990            |
|  | <u>1,330,720</u> | <u>944,105</u>   |
| Expenditures:  |                  |                  |
| Amounts contributed to Credit Valley Conservation Authority (note 3) | 1,197,039        | 523,430          |
| Administration (note 4)  | 155,426          | 113,404          |
| Fundraising (note 4)   | 89,889           | 83,618           |
| Service charges and other  | 4,467            | 5,098            |
|  | <u>1,446,821</u> | <u>725,550</u>   |
| Excess (deficiency) of revenue over expenditures                     | (116,101)        | 218,555          |
| Operating fund balance, beginning of year                            | 11,982           | 14,090           |
| Appropriation from (to) reserves, net                                | 117,059          | (220,663)        |
| Operating fund balance, end of year                                  | <u>\$ 12,940</u> | <u>\$ 11,982</u> |

See accompanying notes to financial statements.

# CREDIT VALLEY CONSERVATION FOUNDATION

## Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

|  | 2017         | 2016       |
|--|--------------|------------|
| Cash provided (used in):                             |              |            |
| Operating activities:                                |              |            |
| Excess (deficiency) of revenue over expenditures     | \$ (116,101) | \$ 218,555 |
| Change in non-cash operating items:                  |              |            |
| Decrease (increase) in accounts receivable           | 2,192        | (193)      |
| Increase in accounts payable and accrued liabilities | 33,594       | 210        |
| Increase (decrease) in cash and cash equivalents     | (80,315)     | 218,572    |
| Cash and cash equivalents, beginning of year         | 437,741      | 219,169    |
| Cash and cash equivalents, end of year               | \$ 357,426   | \$ 437,741 |

See accompanying notes to financial statements.

# CREDIT VALLEY CONSERVATION FOUNDATION

Notes to Financial Statements

Year ended December 31, 2017

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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.

# CREDIT VALLEY CONSERVATION FOUNDATION

Notes to Financial Statements (continued)

Year ended December 31, 2017

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**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 2017, the Foundation received \$15,768 of such donations in-kind (2016 - \$13,355).

**(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.



# CREDIT VALLEY CONSERVATION FOUNDATION

Notes to Financial Statements (continued)

Year ended December 31, 2017

### 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:

| 2017  | Amount       |
|---|--------------|
| A.D. Latornell Symposium                                  | \$ 15,000    |
| Ainsworth Property Restoration                            | 10,000       |
| Brook Trout Habitat Restoration                           | 16,150       |
| Canada 150 Rattray Boardwalk                              | 39,432       |
| Canon Branch Out Events 2016                              | 2,000        |
| Conservation Youth Corp                                   | 125,000      |
| Corporate Volunteer Program                               | 29,863       |
| Credit River Marshes & Estuary                            | 20,000       |
| Credit Valley Trail                                       | 110,500      |
| Dog Strangling Vine Project                               | 41,344       |
| East Credit Stream Daylighting Project                    | 339,779      |
| Island Lake CA Lookouts / Fishing Piers                   | 3,900        |
| Island Lake CA Amphitheatre                               | 69,191       |
| Island Lake CA FOIL People Mover                          | 11,176       |
| Island Lake CA Trail Maintenance                          | 70,000       |
| Lake Ontario Flyway Project                               | 33,490       |
| Lake Ontario SHSM Student Conference                      | 21,000       |
| LID Performance & Risk Assessment in Western Lake Ontario | 23,000       |
| Memorial Bench Program                                    | 12,895       |
| Rattray Marsh CA Save the Ash Tree (EAB)                  | 840          |
| Regional Community Outreach                               | 16,204       |
| TCCA Second Creek Restoration                             | 100,000      |
| Terra Cotta Conservation Area                             | 14,175       |
| Urban Outreach and Restoration                            | 100          |
| Urban Stormwater Mitigation                               | 60,000       |
| Why Wetlands? A Multi-media Approach                      | 12,000       |
|   | \$ 1,197,039 |

| 2016  | Amount     |
|---|------------|
| 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      |
| Island Lake Adopt a Dock Program (Fishing Pier)           | 3,000      |
| Rattray Marsh Restoration Projects                        | 25,063     |
| Rudd Dam Hydraulic analysis                               | 630        |
|   | \$ 523,430 |

# CREDIT VALLEY CONSERVATION FOUNDATION

Notes to Financial Statements (continued)

Year ended December 31, 2017

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#### 4. Administrative and fundraising expenses:

During the year, the Foundation also paid the Authority \$155,426 (2016 - \$113,404) for administrative and \$7,387 (2016 - \$9,323) 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.

# CREDIT VALLEY CONSERVATION FOUNDATION

## Schedule of Continuity of Reserves

Year ended December 31, 2017, with comparative information for 2016

| 2017  | Balance,<br>beginning<br>of year | Appropriation<br>from (to)<br>operations | Balance,<br>end of year |
|---|----------------------------------|--|-------------------------|
| Be a Conservation Hero                      | \$ 5,960                         | \$ 9,779                                 | \$ 15,739               |
| Bonspiel                                    | 1,840                            | 982                                      | 2,822                   |
| Conservation Gala                           | 94,367                           | (69,798)                                 | 24,569                  |
| Conservation Youth Corp                     | 2,660                            | (2,660)                                  | -                       |
| Corporate Volunteer Program                 | -                                | 33,614                                   | 33,614                  |
| Credit Forever Peter Orphanos Tree Planting | 7,448                            | -  | 7,448                   |
| Credit valley Trail                         | 33,325                           | (30,099)                                 | 3,226                   |
| CVCA Special Projects                       | 70,392                           | (65,645)                                 | 4,747                   |
| Dod's & McNair Memorial Forest              | 10,475                           | 9,065                                    | 19,540                  |
| Endowment                                   | 2,649                            | 240                                      | 2,889                   |
| General Donations                           | 14,291                           | 28,360                                   | 42,651                  |
| Island Lake Conservation Area               | 130,220                          | (41,107)                                 | 89,113                  |
| Land Securement                             | 42,920                           | 15,780                                   | 58,700                  |
| Memorial Bench Program                      | 6,730                            | (6,730)                                  | -                       |
| Ratray Marsh Conservation Area              | 3,350                            | 1,160                                    | 4,510                   |
| Terra Cotta Conservation Area               | 1,711                            | -  | 1,711                   |
|   | \$ 428,338                       | \$ (117,059)                             | \$ 311,279              |
| 2016  | Balance,<br>beginning<br>of year | Appropriation<br>from (to)<br>operations | Balance,<br>end of year |
| Be a Conservation Hero                      | \$ 18,159                        | \$ (12,199)                              | \$ 5,960                |
| Bonspiel                                    | -                                | 1,840                                    | 1,840                   |
| Community Tree Planting                     | 7,637                            | (7,637)                                  | -                       |
| Canoe the Credit                            | 16,833                           | (16,833)                                 | -                       |
| Conservation Gala                           | 34,574                           | 59,793                                   | 94,367                  |
| Conservation Youth Corp                     | 35,250                           | (32,590)                                 | 2,660                   |
| Credit Forever Peter Orphanos Tree Planting | 7,448                            | -  | 7,448                   |
| Credit valley Trail                         | 3,275                            | 30,050                                   | 33,325                  |
| CVCA Special Projects                       | 22,817                           | 47,575                                   | 70,392                  |
| Dod's & McNair Memorial Forest              | 9,761                            | 714                                      | 10,475                  |
| Endowment                                   | 550                              | 2,099                                    | 2,649                   |
| General Donations                           | 13,759                           | 532                                      | 14,291                  |
| Golf Tournament                             | 14,453                           | (14,453)                                 | -                       |
| Island Lake Conservation Area               | 19,312                           | 110,908                                  | 130,220                 |
| Land Securement                             | 550                              | 42,370                                   | 42,920                  |
| Memorial Bench Program                      | -                                | 6,730                                    | 6,730                   |
| Ratray Marsh Conservation Area              | 1,875                            | 1,475                                    | 3,350                   |
| Terra Cotta Conservation Area               | 1,422                            | 289                                      | 1,711                   |
|   | \$ 207,675                       | \$ 220,663                               | \$ 428,338              |

