

CATARAQUI CONSERVATION FOUNDATION

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012
(unaudited)

Review Engagement Report

Statement of Financial Position

Statement of Operations

Statement of Changes in Fund Balances

Statement of Cash Flow

Notes to Financial Statements

REVIEW ENGAGEMENT REPORT

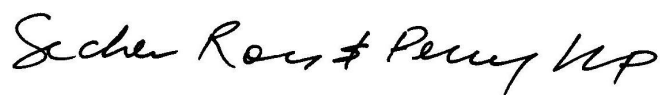
To the Members of Cataraqi Conservation Foundation

We have reviewed the statement of financial position of Cataraqi Conservation Foundation as at December 31, 2012 and the statements of operations, changes in fund balances and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the foundation's management.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

We draw attention to Note 2 to the financial statements which describes that Cataraqi Conservation Foundation adopted the Canadian accounting standards for not-for-profit organizations on January 1, 2012 with a transition date of January 1, 2011. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statements of financial position as at December 31, 2011 and the statements of operations, changes in fund balances and cash flow for the year ended December 31, 2011 and related disclosures. We were not engaged to report on the restated comparative information and, as such, it is neither audited nor reviewed.



Chartered Accountants
Licenced Public Accountants
Kingston, Ontario
March 20, 2013

CATARAQUI CONSERVATION FOUNDATION

**STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2012
(unaudited)**

	2012			2011
	General Fund	Endowment Fund	Total	Total
Assets				
Cash	\$ 32,378	\$ 30	\$ 32,408	\$ 39,150
Guaranteed investment certificates	25,259	-	25,259	25,259
Deposit with The Community Foundation for Kingston & Area	-	25,029	25,029	23,624
Accounts receivable	13,067	-	13,067	9,756
Due from General Fund	-	240	240	-
	<u>\$ 70,704</u>	<u>\$ 25,299</u>	<u>\$ 96,003</u>	<u>\$ 97,789</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 28,988	\$ -	\$ 28,988	\$ 21,699
Due to Endowment Fund	240	-	240	-
Funds held in trust				
Little Cataraqui Environmental Association	2,789	-	2,789	2,789
Lemoine Point Property Acquisition	942	-	942	942
	<u>32,959</u>	<u>-</u>	<u>32,959</u>	<u>25,430</u>
Fund Balances				
Internally Restricted (note 4)	37,745	-	37,745	48,705
Restricted	-	25,299	25,299	23,654
	<u>37,745</u>	<u>25,299</u>	<u>63,044</u>	<u>72,359</u>
	<u>\$ 70,704</u>	<u>\$ 25,299</u>	<u>\$ 96,003</u>	<u>\$ 97,789</u>

See accompanying notes to financial statements.

CATARAQUI CONSERVATION FOUNDATION

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2012

(unaudited)

	<u>2012</u>			<u>2011</u>
	<u>General</u>	<u>Endowment</u>	<u>Total</u>	<u>Total</u>
	<u>Fund</u>	<u>Fund</u>		
Revenues				
Auto passes	\$ 2,382	\$ -	\$ 2,382	\$ 3,699
Memberships	2,791	-	2,791	4,036
Fundraising				
Forever Green	24,629	-	24,629	26,559
Land acquisition	298	-	298	577
Partners in Education	14,800	-	14,800	25,858
Other	13,334	240	13,574	4,538
Investment (net)	326	1,405	1,731	265
Miscellaneous	477	-	477	-
	<u>59,037</u>	<u>1,645</u>	<u>60,682</u>	<u>65,532</u>
Expenses				
Auto passes	2,382	-	2,382	3,699
Administration	4,123	-	4,123	3,278
Fundraising				
Forever Green	7,324	-	7,324	8,725
Membership management system	1,237	-	1,237	1,206
Project support				
Cat Tales	1,600	-	1,600	1,600
Conservation award	617	-	617	398
Education	50,000	-	50,000	43,500
Partners in Education				
Brockville	15	-	15	48
Kingston	599	-	599	499
Wetlands Project	2,100	-	2,100	-
	<u>69,997</u>	<u>-</u>	<u>69,997</u>	<u>62,953</u>
Excess (deficiency) of revenues over expenses	<u>\$ (10,960)</u>	<u>\$ 1,645</u>	<u>\$ (9,315)</u>	<u>\$ 2,579</u>

See accompanying notes to financial statements.

CATARAQUI CONSERVATION FOUNDATION
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2012
(unaudited)

	<u>2012</u>			<u>2011</u>
	<u>General</u>	<u>Endowment</u>	<u>Total</u>	<u>Total</u>
	<u>Fund</u>	<u>Fund</u>		
Fund balances at beginning of year	\$ 48,705	\$ 23,654	\$ 72,359	\$ 69,780
Excess (deficiency) of revenues over expenses	<u>(10,960)</u>	<u>1,645</u>	<u>(9,315)</u>	<u>2,579</u>
Fund balances at end of year	<u>\$ 37,745</u>	<u>\$ 25,299</u>	<u>\$ 63,044</u>	<u>\$ 72,359</u>

See accompanying notes to financial statements.

CATARAQUI CONSERVATION FOUNDATION

STATEMENT OF CASH FLOW

YEAR ENDED DECEMBER 31, 2012

(unaudited)

	<u>2012</u>	<u>2011</u>
Cash flow from (used in) operating activities		
Excess (deficiency) of revenues over expenses	\$ (9,315)	\$ 2,579
Changes in non-cash working capital balances		
Accounts receivable	(3,311)	(7,041)
Accounts payable and accrued liabilities	<u>7,289</u>	<u>20,992</u>
	<u>(5,337)</u>	<u>16,530</u>
Cash flow used in investing activities		
Deposit with The Community Foundation for Kingston & Area	(1,405)	(9,315)
Purchase of guaranteed investment certificate	<u>-</u>	<u>(21,056)</u>
	<u>(1,405)</u>	<u>(30,371)</u>
Net decrease in cash	(6,742)	(13,841)
Cash at beginning of year	<u>39,150</u>	<u>52,991</u>
Cash at end of year	<u><u>\$ 32,408</u></u>	<u><u>\$ 39,150</u></u>
Cash represented by:		
General Fund	\$ 32,378	\$ 39,120
Endowment Fund	<u>30</u>	<u>30</u>
	<u><u>\$ 32,408</u></u>	<u><u>\$ 39,150</u></u>

See accompanying notes to financial statements.

CATARAQUI CONSERVATION FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

(unaudited)

1. Purpose of the Organization

Cataraqui Conservation Foundation (the "Foundation") is incorporated without share capital under the laws of Ontario and is a registered charity under the Income Tax Act. Its purpose is to raise funds that will support and maintain the conservation projects of the Cataraqui Region Conservation Authority.

2. Adoption of Accounting Standards for Not-for-Profit Organizations

The Foundation's first reporting period using Part III of the CICA Handbook - Accounting Standards for Not-for-Profit Organizations ("Part III") is the year ended December 31, 2012. As a result, the date of transition to Part III is January 1, 2011. The Foundation presented financial statements under its previous Canadian generally accepted accounting principles to December 31 of each fiscal year up to, and including, December 31, 2011.

As these financial statements are the first financial statements for which the Foundation has applied Part III, the financial statements have been prepared in accordance with the provisions set out in Section 1501 of Part III, First-time Adoption by Not-for-Profit Organizations.

The Foundation has elected to apply accounting standards contained in Part III for the year ended December 31, 2012 in preparing and presenting its statement of financial position as at December 31, 2012 (including comparative amounts for 2011), and the statement of operations, statement of changes in fund balances, and statement of cash flow for the year ended December 31, 2012 (including comparative amounts for 2011) and disclosures (including comparative information for 2011).

The Foundation did not adopt any elections under the transition rules. The retrospective application of the accounting standards for not-for-profit organizations resulted in no changes to the opening assets, liabilities or fund balances. As such, the transition date statement of financial position has not been presented.

3. Significant Accounting Policies

These financial statements have been prepared in accordance with Part III of the CICA Handbook - Accounting Standards for Not-for-Profit Organizations, and include the following significant accounting policies:

(a) Fund Accounting

The Foundation follows the restricted fund method of accounting for contributions.

The general fund accounts for the Foundation's program delivery and administrative activities.

The endowment fund reports resources contributed for endowment. Investment income earned on resources for endowment is accumulated in the fund, pending decisions concerning the application of this income.

CATARAQUI CONSERVATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS (continued)
YEAR ENDED DECEMBER 31, 2012
(unaudited)

3. Significant Accounting Policies (continued)

(b) Investments

Guaranteed investment certificates and deposits with The Community Foundation for Kingston & Area are recorded at market value. Investment income includes dividend and interest income and is recognized when earned. Unrealized gains and losses on financial assets are included directly in the statement of operations.

(c) Revenue Recognition

Revenue is recognized when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

(d) Capital Assets

No value is accorded to capital assets for reporting purposes. Capital asset purchases are charged as expenses in the year of acquisition. Capital assets consist primarily of office equipment.

(e) Contributed Services

Because of the difficulty in determining their fair value, contributed services are not recognized in the accounts.

(f) Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

4. General Fund Balance

	<u>2012</u>	<u>2011</u>
Designated for Forever Green Gala	\$ 5,000	\$ 5,000
Designated for land	6,069	5,770
Designated for tower lift	4,500	4,500
Designated for Bayview Wetlands	5,400	7,500
Designated for Lemoine Point Reforestation	96	96
Undesignated	<u>16,680</u>	<u>25,839</u>
	<u>\$ 37,745</u>	<u>\$ 48,705</u>

CATARAQUI CONSERVATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS (continued)
YEAR ENDED DECEMBER 31, 2012
(unaudited)

5. Financial Risk

The Foundation manages its financial instruments to ensure it has adequate capital to continue to provide support to the conservation initiatives of the Cataraqui Region Conservation Authority. It is management's opinion that the Foundation is not exposed to significant interest, currency or credit risks arising from these financial instruments. There has been no change to the risk exposure from 2011 and there is no substantive change expected in the next fiscal period.

However, the Foundation is exposed to market risk in its investments. Market risk is the risk of financial loss to the Foundation arising from fluctuations in the market price of the Foundation's investments. To manage these risks, the Foundation has established a target mix of investment types designed to achieve acceptable returns within reasonable risk tolerances.

6. Comparative Figures

Certain comparative figures have been restated in order to conform to the financial statement presentation adopted for the current year.