

The Couchiching Conservancy
Financial Statements
For the Year Ended October 31, 2021

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Independent Auditors' Report

To the Members of The Couchiching Conservancy

Qualified Opinion

We have audited the accompanying financial statements of The Couchiching Conservancy, which comprise the statement of financial position as at October 31, 2021, and the statements of operations and changes in net assets 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 effect of the matter described in the *Basis for Qualified Opinion* section of our report, the financial statements present fairly, in all material respects, the financial position of The Couchiching Conservancy as at October 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, The Couchiching Conservancy derives revenue from donations and special events, 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 The Couchiching Conservancy. Therefore, we were not able to determine whether any adjustments might be necessary to donations, special events revenues, net assets, and cash flows from operations for the years ended October 31, 2021 and 2020, current assets as at October 31, 2021 and 2020, and net assets as at November 1 and October 31 for both the October 31, 2021 and 2020 years. Our audit opinion on the financial statements for the year ended October 31, 2021 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 Entity 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 these financial statements in accordance with Canadian accounting standards for not-for-profit organizations 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 Entity'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 Entity'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 Entity 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.

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.



Hehn Trickey Professional Corporation
Chartered Professional Accountants

*Authorized to practise public accounting by
the Chartered Professional Accountants of Ontario*

Orillia, Ontario
January 24, 2022

The Couchiching Conservancy
Statement of Financial Position
As at October 31, 2021

	Operating Fund	Acquisition & Capital Fund	Other Fund	October 31 2021	October 31 2020
Assets					
Current					
Cash and bank	\$ 207,527	\$ -	\$ -	\$ 207,527	\$ 396,954
Short-term investments (Note 3)	245,150	489,252	525,000	1,259,402	745,820
Accounts receivable	3,115	-	-	3,115	14,682
Government grants receivable	-	-	-	-	5,845
Accrued interest receivable	1,660	-	-	1,660	6,207
Interfund receivable	32,716	-	-	32,716	45,212
Prepaid expenses	7,801	-	-	7,801	4,975
	497,969	489,252	525,000	1,512,221	1,219,695
Endowment assets (Note 4)	-	-	736,006	736,006	644,013
Capital assets (Note 5)	4,512	5,397,624	-	5,402,136	5,334,757
	\$ 502,481	\$ 5,886,876	\$ 1,261,006	\$ 7,650,363	\$ 7,198,465
Liabilities and Net Assets					
Current					
Accounts payable (Note 6)	\$ 29,816	\$ -	\$ -	\$ 29,816	\$ 34,401
Interfund payable	-	-	32,716	32,716	45,212
Deferred contributions (Note 7)	146,945	259,078	-	406,023	330,031
	176,761	259,078	32,716	468,555	409,644
Net Assets					
Unrestricted (Note 8)	103,871	-	-	103,871	89,381
Invested in capital assets (Note 8 and 9)	4,512	5,397,624	-	5,402,136	5,334,757
Internally restricted - acquisition (Note 9)	-	230,174	-	230,174	221,827
President's reserve (Note 8)	217,337	-	-	217,337	177,337
Internally restricted - other (Note 10)	-	-	985,085	985,085	722,314
Externally restricted - other (Note 11)	-	-	243,205	243,205	243,205
	325,720	5,627,798	1,228,290	7,181,808	6,788,821
	\$ 502,481	\$ 5,886,876	\$ 1,261,006	\$ 7,650,363	\$ 7,198,465

The accompanying notes are an integral part of these financial statements.

The Couchiching Conservancy
Statement of Operations and Changes in Net Assets
For the Year Ended October 31, 2021

	Operating Fund	Acquisition & Capital Fund	Other Fund	October 31 2021	Budget (Note 14)	October 31 2020
Revenues						
Donations (Schedule 1)	\$ 357,147	\$ 270,203	\$ 45,085	\$ 672,435	\$ 778,420	\$ 642,091
Grants (Schedule 1)	246,862	45,000	-	291,862	361,181	425,839
Investment income (Note 4)	43,462	26,877	137,809	208,148	85,000	84,997
Merchandise and services	12,669	-	-	12,669	10,800	8,704
Miscellaneous	1	-	-	1	1,000	9,495
Special events	51,471	-	-	51,471	38,000	51,672
	711,612	342,080	182,894	1,236,586	1,274,401	1,222,798
Expenses						
Advertising and promotion	733	-	-	733	1,460	2,511
Amortization	1,204	9,771	-	10,975	-	10,552
Bank charges and interest	5,825	-	-	5,825	2,000	1,936
Contributions to partners	-	200,000	-	200,000	200,000	-
Dues, fees and licences	2,859	-	-	2,859	3,600	3,135
Fundraising and volunteers	774	-	-	774	4,400	3,178
General and office	15,083	-	-	15,083	19,770	12,571
Insurance	9,103	-	-	9,103	9,550	8,020
Materials and supplies	6	-	-	6	3,000	2,874
Printing and postage	9,014	-	-	9,014	9,500	5,990
Professional fees and closing costs	35,762	7,861	-	43,623	40,800	50,990
Property taxes and maintenance	15,511	-	-	15,511	13,100	12,183
Property and easement acquisitions	-	74,342	-	74,342	319,199	275,366
Property lease	18,175	-	-	18,175	18,175	17,591
Purchased merchandise	546	-	-	546	1,050	1,050
Special events	3,708	-	-	3,708	3,500	1,120
Subcontracts	26,041	-	-	26,041	43,139	23,925
Training and conference	1,956	-	-	1,956	3,500	1,881
Travel	4,454	-	-	4,454	8,216	7,356
Utilities and telephone	5,245	-	-	5,245	7,900	7,506
Wages and benefits	446,968	23,000	-	469,968	449,246	430,540
	602,967	314,974	-	917,941	1,161,105	880,275
Excess (deficiency) of revenues over expenses	108,645	27,106	182,894	318,645	113,296	342,523
Interfund transfers	(51,347)	(28,530)	79,877	-	-	-
Property and easement acquisitions	-	74,342	-	74,342	-	275,326
Net assets, beginning of year	268,422	5,554,880	965,519	6,788,821	6,788,821	6,170,972
Net assets, end of year (Note 8, 9, 10 and 11)	\$ 325,720	\$ 5,627,798	\$ 1,228,290	\$ 7,181,808	\$ 6,902,117	\$ 6,788,821

The accompanying notes are an integral part of these financial statements.

The Couchiching Conservancy
Statement of Cash Flows
As at October 31, 2021

	Operating Fund	Acquisition & Capital Fund	Other Fund	October 31 2021	October 31 2020
Cash provided by (used in)					
Operating activities					
Excess of revenues over expenses	\$ 108,645	\$ 27,106	\$ 182,894	\$ 318,645	\$ 342,523
Items not involving cash					
Amortization of capital assets	1,204	9,771	-	10,975	10,552
Property and easement acquisitions	-	74,342	-	74,342	275,326
Interfund transfers	(61,347)	(18,530)	79,877	-	-
	48,502	92,689	262,771	403,962	628,401
Changes in non-cash working capital balances					
Accounts receivable	11,567	-	-	11,567	73,084
Government grants receivable	5,845	-	-	5,845	27,721
Accrued interest receivable	4,547	-	-	4,547	(1,867)
Prepaid expenses	(2,826)	-	-	(2,826)	55
Accounts payable	(4,585)	-	-	(4,585)	(10,923)
Deferred contributions	44,870	31,123	-	75,993	182,264
Change in interfund balances	(58,185)	45,212	12,973	-	-
	49,735	169,024	275,744	494,503	898,735
Investing and financing activities					
Property and easement acquisition	-	(74,342)	-	(74,342)	(275,326)
Purchase of furniture and equipment	(4,012)	-	-	(4,012)	-
Purchase of long term investments	-	-	-	-	200,146
Purchase of endowment assets, investment income and increase in cash surrender value of insurance policy	-	-	(91,994)	(91,994)	(162,692)
	(4,012)	(74,342)	(91,994)	(170,348)	(237,872)
Increase in cash during the year	45,723	94,682	183,750	324,155	660,863
Cash and cash equivalents, beginning of year	396,954	404,570	341,250	1,142,774	481,911
Cash and cash equivalents, end of year	\$ 442,677	\$ 499,252	\$ 525,000	\$ 1,466,929	\$ 1,142,774
Represented by					
Cash and bank	\$ 207,527	\$ -	\$ -	\$ 207,527	\$ 396,954
Short-term investments (Note 3)	245,150	489,252	525,000	1,259,402	745,820
	\$ 452,677	\$ 489,252	\$ 525,000	\$ 1,466,929	\$ 1,142,774

The accompanying notes are an integral part of these financial statements.

The Couchiching Conservancy

Notes to Financial Statements

October 31, 2021

1. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Nature of Organization The Couchiching Conservancy was incorporated without share capital under the laws of Canada on November 4, 1993. The objects of the organization are as follows:

- a) To preserve, protect, restore and improve the natural environment of the Couchiching Severn region.
- b) To encourage and foster an understanding and awareness of the natural environment and its value in enhancing our quality of life.
- c) To acquire, maintain and preserve lands, or interests in lands, of ecological, recreational, scientific, scenic, heritage or open space value.
- d) To promote and undertake research and data collection on the natural environment and to distribute the findings to the public.

The organization is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

Fund Accounting The organization follows the restricted fund method of accounting for contributions.

The Operating Fund accounts for the organization's program delivery and administrative activities, which include the stewardship of existing properties and the indirect costs of property acquisition. This fund reports unrestricted resources and restricted operating grants.

The President's Reserve Fund is part of the operating fund created by a motion of the Board of Directors for future core operating expenditures of the organization.

The Acquisition and Capital Fund reports the assets, liabilities, revenues and direct expenses related to the organization's property acquisitions. The Board of Directors established this fund for the purpose of acquiring lands in accordance with the organization's objectives.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

1. Significant Accounting Policies (continued)

Fund Accounting (continued)

The Other Fund encompasses the Property Protection Reserve Fund, the Carden Conservation Reserve Fund, the Stewardship Endowment Fund and the Heartwood Fund Endowment.

The Property Protection Reserve Fund reports the assets, revenues and expenditures related to the organization's property protection investments. The Board established this fund to provide investment income to maintain properties acquired, as well as to provide a source of funds for the enforcement of ecological conditions covering properties owned, protected under a conservation easement or under a management agreement.

The Carden Conservation Reserve Fund reports the assets, revenues and expenditures related to funds designated by the organization to be used directly for conservation activities on the Carden Plain.

The Stewardship Endowment Fund was established in accordance with funding agreements for the purchase of particular properties. The investment income from these funds is to be used for the stewardship of lands within the Natural Area Conservation Plan.

The Heartwood Fund Endowment was established with the purpose of providing the Couchiching Conservancy with a stable and ongoing funding stream with the intention of further increasing the permanency of the organization. It is to be used for operations, stewardship and further investment. It is not to be used for land acquisitions. The investments held in this Endowment Fund are invested based on a long-term time horizon.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

1. Significant Accounting Policies (continued)

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

Revenue from merchandise and services and special events is recognized at the time of shipment, when the service is rendered or when the event occurs.

Investment income is recognized quarterly from the fund statements provided by The Community Foundation of Orillia and Area (CFOA) and annually from the statements provided by BMO Life Assurance Company. Investment income from CFOA includes realized income and unrealized gains and losses (Note 4).

Contributed Materials and Services

Contributed materials and services which are used in the normal course of the organization's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated. Volunteers contribute their time to assist the organization in carrying out its various activities and contributions are recognized at their fair value at the date of contribution if fair value can be reasonably estimated.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

Financial Instruments *Initial and subsequent measurement*

The organization initially measures its financial assets and liabilities at fair value.

The organization subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in the fair value of these financial instruments are recognized in net income in the period incurred.

Financial assets measured at cost or amortized cost include cash, accounts receivable, government grants receivable, accrued interest receivable and interfund receivable.

Financial liabilities measured at cost or amortized cost include accounts payable and interfund payable.

Financial assets measured at fair value include short-term investments and endowment assets.

Impairment

For financial assets measured at cost or amortized cost, the organization determines whether there are indications of possible impairment. When there is an indication of impairment, and the organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

1. Significant Accounting Policies (continued)

Capital Assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Where fair value cannot be reasonably determined, contributed capital assets are recorded at a nominal amount.

Furniture and equipment are included in the Operating Fund and buildings are included in the Acquisition and Capital Fund. Amortization based on the estimated useful life of the asset is calculated as follows:

Buildings	- 45 years straight line basis
Furniture and equipment	- 10 years straight line basis
Computer equipment	- 5 years straight line basis

The purchase of property and easements by the Acquisition and Capital Fund are charged to the statement of operations and changes in net assets in the period of acquisition. These acquisitions are then transferred to the statement of financial position as capital assets and in the fund balances as an investment in capital assets.

Use of Estimates

The preparation of financial statements in accordance Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

**Cash and Cash
Equivalents**

Cash and cash equivalents consist of cash on hand, bank balances and short-term investments.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

2. Financial Instruments

The organization has a comprehensive risk management framework to monitor, evaluate and manage the principle risks assumed with financial instruments. The risks that arise from transacting financial instruments include credit risk and liquidity risk.

(a) Credit risk:

The organization is exposed to credit risk with respect to accounts receivable, grants receivable, accrued interest receivable, short-term investments and long-term investments. The organization assesses, on a continuous basis, the accounts receivable on the basis of amounts it is virtually certain to receive. The credit risk with respect to the short-term and long-term investments is insignificant since the majority are held in large financial institutions.

(b) Liquidity risk:

The organization's exposure to liquidity risk is dependent on the receipt of funds from its major funding sources and other related fundraising sources, whether in the form of grant revenue, fundraising or investment income.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

3. Short-term Investments

	<u>2021</u>	<u>2020</u>
Advantage savings account with interest at 0%	\$ 72	\$ 71
Community Foundation of Orillia managed fund, redeemable, earnings vary depending on quarterly results (Note 4)	1,051,604	364,109
Guaranteed investment certificate with interest at 1.5% maturing in January 2021	-	75,000
Guaranteed investment certificate with interest at 2.25% maturing in January 2021	-	76,575
Guaranteed investment certificate with interest at 2.25% maturing in February 2021	-	71,000
Guaranteed investment certificate with interest at 1.5% maturing in June 2021	-	30,382
Guaranteed investment certificate with interest stepped at 1.50%, 2.0% and 2.5%, maturing in December 2020	-	72,471
Guaranteed investment certificate with interest stepped at 2.25%, 2.4% and 2.45%, maturing in February 2021	-	55,394
Guaranteed investment certificate with interest at 1.2%, maturing in March 2024	103,863	-
Guaranteed investment certificate with interest at 1.2%, maturing in March 2024	103,863	-
Advantage savings account with interest at 0.55%	-	818
	\$ 1,259,402	\$ 745,820

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

4. Endowment Assets

	<u>2021</u>	<u>2020</u>
Heartwood Endowment Fund		
Community Foundation of Orillia managed fund, redeemable, earnings vary depending on quarterly results	\$ 397,476	\$ 317,822
Cash surrender value of an insurance policy	95,325	82,986
	<u>492,801</u>	<u>400,808</u>
Stewardship Endowment Fund		
Community Foundation of Orillia managed fund, redeemable, earnings vary depending on quarterly results	243,205	243,205
	<u>\$ 736,006</u>	<u>\$ 644,013</u>

The insurance policy is held by the BMO Life Assurance Company and consists of a guaranteed interest account. Investment income includes interest income and market value adjustments.

The earnings and unrealized gains for the year were \$12,340 (2020 - \$2,267).

The Community Foundation of Orillia (CFOA) holds funds in trust for The Couchiching Conservancy in a pooled fund with other funds that are invested with Connor, Clark and Lunn. It reports the investment income quarterly.

The pooled investment fund at October 31, 2021 consists of fixed income, Canadian equity, Canadian income equity, global equity, alternative investments and hedge strategies. Investment income includes dividend and interest income, realized investment gains and losses on the sale of investments and unrealized gains and losses on investments measured at fair value. As the organization's funds are pooled with CFOA's other funds, it is not possible to separate the realized investment income from its unrealized income.

The earnings and unrealized gains for the year were \$195,808 (2020 - \$82,730).

The amounts shown include an estimate of the earnings and unrealized gains (losses) from the third quarter of the calendar year to October 31, 2021.

In addition to the endowment funds above, the Community Foundation of Orillia and Area controls the Land Stewardship Endowment Fund which grants investment income to the Conservancy annually 2021 - \$2,000 (2020 - \$2,000). The value of this endowment fund at October 31, 2021 was \$43,664 (2020 - \$39,158). As this endowment fund is not controlled by the conservancy, the value of the fund is not reflected in these financial statements.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

5. Capital Assets

			2021	2020
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Acquisition and Capital Fund				
Building - Grant Woods	\$ 439,708	\$ 53,741	\$ 385,967	\$ 395,738
Easement - Agnew Property	30,000	-	30,000	30,000
Easement - Dale	125,000	-	125,000	125,000
Easement - Deadman	46,500	-	46,500	46,500
Easement - Ironside Property	35,540	-	35,540	35,540
Easement - Konda Property	1	-	1	1
Easement - Larsen Property	198,500	-	198,500	198,500
Easement - Leadbeater Property	48,000	-	48,000	48,000
Easement - Ling	181,000	-	181,000	181,000
Easement - Mack Williams	75,000	-	75,000	75,000
Easement - Probst Property	36,750	-	36,750	36,750
Easement - Russell Property	7,500	-	7,500	7,500
Easement - Scout Valley	1	-	1	1
Easement - Wilkins Property	22,500	-	22,500	22,500
Land - Adams Property	220,000	-	220,000	220,000
Land - Alexander Hope-Smith Nature Reserve	145,000	-	145,000	145,000
Land - Berndt-Campbell Lane	3,342	-	3,342	-
Land - Bluebird Ranch	233,018	-	233,018	233,018
Land - Butler Property	9,552	-	9,552	9,552
Land - Carthew Bay Reserve	80,800	-	80,800	80,800
Land - Church Woods	750,000	-	750,000	750,000
Land - Church Woods Road Allowance	2	-	2	2
Land - Elliott Woods	100,000	-	100,000	100,000
Land - Fawcett Nature Reserve	45,000	-	45,000	45,000
Land - Grant Wetlands	147,500	-	147,500	147,500
Land - Grant Woods	288,423	-	288,423	288,423
Land - Hewetson Property	77,000	-	77,000	77,000
Land - Jennett Woods	175,000	-	175,000	175,000
Land - Marley Reserve	71,000	-	71,000	-
Land - McDarker Wetlands	16,752	-	16,752	16,752
Land - Mclsaac Wetlands	20,000	-	20,000	20,000
Land - Pitts Property	281,211	-	281,211	281,211
Land - Prospect Marsh	82,500	-	82,500	82,500
Land - Roehl Reserve	23,105	-	23,105	23,105
Land - Ron Reid Nature Reserve	501,979	-	501,979	501,979
Land - Starr Property	114,194	-	114,194	114,194
Land - Taylor Nature Reserve	210,326	-	210,326	210,326
Land - Thomas Agnew Reserve	45,000	-	45,000	45,000

(Continued)

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

5. Capital Assets (continued)

	<u>2021</u>		<u>2020</u>	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Acquisition and Capital Fund (continued)				
Land - Turnbull Ranch	\$ 299,400	\$ -	\$ 299,400	\$ 299,400
Land - Waterthrush Woods	16,000	-	16,000	16,000
Land - Whitney Wetland Nature Reserve	65,000	-	65,000	65,000
Land - Wolf Run Alvar	184,261	-	184,261	184,261
	<u>5,451,365</u>	<u>53,741</u>	<u>5,397,624</u>	<u>5,333,053</u>
Operating Fund				
Furniture and fixtures	6,359	6,359	-	-
Computer equipment	12,054	7,542	4,512	1,704
	<u>18,413</u>	<u>13,901</u>	<u>4,512</u>	<u>1,704</u>
	<u>\$ 5,469,778</u>	<u>\$ 67,642</u>	<u>\$ 5,402,136</u>	<u>\$ 5,334,757</u>

The easements for the Konda Property and Scout Valley have been recognized at a nominal value of \$1 each and the Church Woods road allowance has been recognized at a nominal value of \$2. Valuations were not necessary to obtain these easements and property, and due to the cost of obtaining appraisals, fair market valuations were not completed and are not planned.

6. Accounts Payable

	<u>2021</u>		<u>2020</u>	
Government liabilities	\$ 7,987	\$	8,821	\$
Accrued liabilities	21,829		25,588	
	<u>\$ 29,816</u>	<u>\$</u>	<u>34,409</u>	<u>\$</u>

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

7. Deferred Contributions

	<u>2021</u>	<u>2020</u>
Operating Fund		
Citizen Science		
Balance, beginning of year	\$ 25,628	\$ 10,233
Plus: contributions received	79,205	43,080
Less: contributions spent	<u>(93,072)</u>	<u>(27,685)</u>
Balance, end of year	<u>11,761</u>	<u>25,628</u>
Non-Project		
Balance, beginning of year	-	-
Plus: contributions received	502	-
Less: contributions spent	<u>-</u>	<u>-</u>
Balance, end of year	<u>502</u>	<u>-</u>
Tides		
Balance, beginning of year	-	45,000
Plus: contributions received	-	-
Less: contributions spent	<u>-</u>	<u>(45,000)</u>
Balance, end of year	<u>-</u>	<u>-</u>
Schad		
Balance, beginning of year	-	2,100
Plus: contributions received	-	-
Less: contributions spent	<u>-</u>	<u>(2,100)</u>
Balance, end of year	<u>-</u>	<u>-</u>
Other Project		
Balance, beginning of year	32,439	2,072
Plus: contributions received	-	55,939
Less: contributions spent	<u>(21,500)</u>	<u>(25,572)</u>
Balance, end of year	<u>10,939</u>	<u>32,439</u>
Heartwood Operating		
Balance, beginning of year	4,007	4,007
Plus: contributions received	-	-
Less: contributions spent	<u>-</u>	<u>-</u>
Balance, end of year	<u>4,007</u>	<u>4,007</u>

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

7. Deferred Contributions (continued)

	<u>2021</u>	<u>2020</u>
SARBEX - Bluebird		
Balance, beginning of year	24,858	22,993
Plus: contributions received	59,280	8,500
Less: contributions spent	<u>(4,546)</u>	<u>(6,635)</u>
Balance, end of year	<u>79,592</u>	24,858
SARBEX - Other		
Balance, beginning of year	15,144	15,144
Plus: contributions received	-	-
Less: contributions spent	<u>-</u>	<u>-</u>
Balance, end of year	<u>15,144</u>	15,144
Gosling		
Balance, beginning of year	-	-
Plus: contributions received	50,000	25,000
Less: contributions spent	<u>(25,000)</u>	<u>(25,000)</u>
Balance, end of year	<u>25,000</u>	-
Total Operating Fund	<u>146,945</u>	102,076
Acquisition and Capital Fund		
Balance, beginning of year	227,955	46,218
Plus: contributions received	342,586	669,704
Less: contributions spent	<u>(311,463)</u>	<u>(487,967)</u>
Balance, end of year	<u>259,078</u>	227,955
Total Deferred Contributions	<u>\$ 406,023</u>	\$ 330,031

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

8. Operating Funds

	<u>2021</u>	<u>2020</u>
Unrestricted		
Balance, beginning of year	\$ 89,381	\$ 72,809
Surplus (deficit) for the year	105,837	48,472
Interfund transfer for SARBEX surplus	(8,347)	(7,554)
Interfund transfer for investment income	152,346	71,679
Interfund transfer for property protection fund donation	(5,000)	(36,025)
Interfund transfer of operating surplus to president's reserve	(40,000)	(60,000)
Interfund transfer of operating surplus to carden reserve	(4,000)	-
Interfund transfer of operating surplus to property protection fund	(174,750)	-
Interfund transfer of operating surplus to heartwood fund	(21,596)	-
Interfund transfer from acquisition fund for administration allocation	10,000	-
	<u>103,871</u>	<u>89,381</u>
Invested in Capital Assets		
Balance, beginning of year	1,704	2,485
Computer equipment purchases	4,012	-
Amortization for the year	(1,204)	(781)
	<u>4,512</u>	<u>1,704</u>
President's Reserve - Internally Restricted		
Balance, beginning and end of year	177,337	117,337
Interfund transfer for operating surplus	40,000	60,000
	<u>217,337</u>	<u>177,337</u>
Balance, end of year	<u>\$ 325,720</u>	<u>\$ 268,422</u>

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

9. Acquisition and Capital Funds

	<u>2021</u>	<u>2020</u>
Invested in Capital Assets		
Balance, beginning of year	\$ 5,333,053	\$ 5,067,498
Amortization for the year	(9,771)	(9,771)
Property and easement acquisitions	<u>74,342</u>	<u>275,326</u>
Balance, end of year	<u>5,397,624</u>	<u>5,333,053</u>
Acquisition Reserve Fund		
Balance, beginning of year	221,827	163,973
Surplus (deficit) for the year	36,877	172,424
Interfund transfer for SARBEX surplus	8,347	7,554
Interfund transfer for investment income	(26,877)	(15,124)
Interfund transfer for stewardship endowment fund	-	(65,000)
Interfund transfer for property protection reserve fund	-	(42,000)
Interfund transfer to operating fund for administration allocation	<u>(10,000)</u>	<u>-</u>
Balance, end of year	<u>230,174</u>	<u>221,827</u>
	<u>\$ 5,627,798</u>	<u>\$ 5,554,880</u>

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

10. Other Internally Restricted Funds

	<u>2021</u>	<u>2020</u>
Property Protection Reserve Fund		
Balance, beginning of year	\$ 320,250	\$ 242,225
Surplus for the year	38,803	17,082
Interfund transfer for operating surplus	174,750	-
Interfund transfer for investment income	(38,803)	(17,082)
Interfund transfer for donation income	5,000	36,025
Interfund transfer from acquisition fund	-	42,000
	<hr/>	<hr/>
Balance, end of year	500,000	320,250
Carden Conservation Reserve Fund		
Balance, beginning of year	21,000	21,000
Surplus for the year	2,544	1,481
Interfund transfer for investment income	(2,544)	(1,481)
Interfund transfer of operating surplus	4,000	-
	<hr/>	<hr/>
Balance, end of year	25,000	21,000
Heartwood Fund Endowment		
Balance, beginning of year	381,064	305,440
Surplus for the year	112,079	101,049
Interfund transfer for investment income	(54,654)	(25,425)
Interfund transfer for operating surplus	21,596	-
	<hr/>	<hr/>
Balance, end of year	460,085	381,064
	<hr/>	<hr/>
	\$ 985,085	\$ 722,314

11. Other Externally Restricted Funds

	<u>2021</u>	<u>2020</u>
Stewardship Endowment Fund		
Balance, beginning of year	243,205	178,205
Surplus for the year	29,468	12,567
Interfund transfer for property stewardship endowment	-	65,000
Interfund transfer for investment income	(29,468)	(12,567)
	<hr/>	<hr/>
	\$ 243,205	\$ 243,205

12. Subsequent event

On November 30, 2021, a 100 acre parcel of land of property was donated to the organization with an appraised value of \$100,000.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

13. Commitments

As part of a habitat offset agreement, the organization signed an agreement to lease a property in the Township of Carden for an initial period from February 2015 to January 2020. The lease carried a cost of \$13,970 per year and the organization exercised the option to extend the property lease for an additional 2 years at a cost of \$17,463 per year. On December 8, 2021, an agreement was reached to extend the lease for another five years from February 2022 to January 2027 at a cost of \$17,463 per year.

In addition, the organization has verbally committed to leasing another property in the Township of Carden for a period of five years. The lease carries a cost of \$1,305 per year. The lease agreement is currently being prepared.

The minimum annual lease payments for the next five years and thereafter is as follows:

2022	\$	18,768
2023		18,768
2024		18,768
2025		18,768
2026		18,768
Thereafter		4,366

14. Budget Information

The budget figures presented for comparison purposes are unaudited.

15. Contributed Materials and Services

These statements include \$82,350 (2020 - \$52,052) of contributed materials and services (including volunteer labour) that have been recorded at their fair value at the time of contribution.

16. COVID-19

The outbreak of the Coronavirus pandemic ("COVID-19") has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruptions to businesses and organizations globally resulting in an economic slowdown. The duration and impact of the COVID-19 outbreak is unknown at this time, nor is the efficacy of the government and central bank monetary and fiscal interventions designed to stabilize economic conditions. As a result, it is not possible to reliably estimate the length and severity of these developments, nor the impact on the financial position and financial results of the organization in future periods.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2021

17. Comparative Figures

Certain prior year figures have been reclassified to conform to the current year presentation.

The Couchiching Conservancy
Schedule 1 - Donations and Grant Revenue
For the Year Ended October 31, 2021

	Operating Fund	Acquisition & Capital Fund	Other Fund	October 31 2021	October 31 2020
Donations					
General	\$ 262,260	\$ 195,463	\$ 45,085	\$ 502,808	\$ 342,335
In kind - general	66,626	-	-	66,626	33,682
In kind - membership	11,984	3,740	-	15,724	18,370
Membership	16,277	-	-	16,277	14,704
Property and easements	-	71,000	-	71,000	233,000
	\$ 357,147	\$ 270,203	\$ 45,085	\$ 672,435	\$ 642,091
Grant Revenue					
Government of Canada	\$ -	\$ -	\$ -	\$ -	\$ 27,184
Other	246,862	45,000	-	291,862	398,655
	\$ 246,862	\$ 45,000	\$ -	\$ 291,862	\$ 425,839