

**Bruce Peninsula Biosphere Association**  
**Financial Statements**  
**For the year ended December 31, 2013**

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Financial Statements  
For the year ended December 31, 2013**

**Contents**

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<b>Independent Auditor's Report</b>	<b>3 - 4</b>
<b>Financial Statements</b>	
Balance Sheet	5
Statement of Changes in Net Assets	6
Statement of Operations	7
Statement of Cash Flows	8
Notes to Financial Statements	9 - 11



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## Independent Auditor's Report

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**To the Board of Directors of the  
Bruce Peninsula Biosphere Association**

We have audited the accompanying financial statements of Bruce Peninsula Biosphere Association, which comprise the balance sheet as at December 31, 2013 and the statements of operations, changes in net assets and cash flows for the year then ended and 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 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.

### **Auditor's 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 the auditor's 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, the auditor considers 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.



### **Basis for Qualified Opinion**

In common with many charitable organizations, the entity derives revenue from donations and fundraising 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 organization. We were unable to determine whether any adjustments might be necessary to fundraising and donation revenues, excess of revenue over expenses and cash flows from operations for the year ended December 31, 2013, and current assets and net assets as at December 31, 2013.

### **Qualified Opinion**

In our opinion, except for the 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 Bruce Peninsula Biosphere Association as at December 31, 2013 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*BDO Canada LLP*

Chartered Accountants, Licensed Public Accountants

Owen Sound, Ontario  
June 26, 2014

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**Bruce Peninsula Biosphere Association**  
**Balance Sheet**

<u>December 31</u>	<u>2013</u>	<u>2012</u>
<b>Assets</b>		
<b>Current</b>		
Cash and bank	\$ 57,897	\$ 11,239
Accounts receivable (Note 2)	21,303	2,767
	<u>\$ 79,200</u>	<u>\$ 14,006</u>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 3)	\$ 13,025	\$ 1,988
Deferred revenue (Note 4)	54,796	758
	67,821	2,746
<b>Net assets (Page 6)</b>		
Unrestricted	11,379	11,260
	<u>\$ 79,200</u>	<u>\$ 14,006</u>

Approved on behalf of the Board of Directors:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

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**Bruce Peninsula Biosphere Association**  
**Statement of Changes in Net Assets**

<u>For the year ended December 31</u>	<u>2013</u>	<u>2012</u>
Balance, beginning of the year	\$ 11,260	\$ 6,772
Excess of revenue over expenses for the year	<u>119</u>	<u>4,488</u>
Balance, end of the year	<u>\$ 11,379</u>	<u>\$ 11,260</u>

**Bruce Peninsula Biosphere Association**  
**Statement of Operations**

<b>For the year ended December 31</b>	<b>2013</b>	<b>2012</b>
<b>Revenue</b>		
Grants - Six Streams Project		
Ministry of Environment/Environment Canada - EcoAction	\$ 35,921	\$ -
Ministry of Environment/Environment Canada	15,400	4,855
Great Lakes Guardian	25,000	-
Ontario Trillium Foundation	28,819	-
Grants - Conservation and Stewardship Plan Development		
Friends of the Greenbelt Foundation	71,523	14,242
Grants - Other Programs		
Government of Canada - HRSDC	2,460	2,460
Municipality of Northern Bruce Peninsula	2,000	2,000
Corporate donations	1,200	1,500
Ontario Trillium Foundation	-	5,515
County of Bruce - Spruce the Bruce	-	2,557
Gosling Foundation	-	4,000
Donations	742	2,351
Fundraising and interest	1,649	1,843
Raffle	3,590	3,910
Memberships	80	320
	<b>188,384</b>	<b>45,553</b>
<b>Expenses</b>		
Six Streams Project		
Salaries, benefits and contracts	20,259	-
Materials and supplies	84,881	4,832
Conservation and stewardship plan development		
Salaries, benefits and contracts	64,711	-
Materials and supplies	6,812	14,242
Dark Sky project		
Commercial lighting	-	4,385
Bayside astronomy	5,481	10,693
Sources of Knowledge	-	110
Other	-	5,663
Forest monitoring	-	73
General and administrative	2,322	124
Office expenses	1,041	-
Training and education	1,773	223
Lottery and promotion	552	-
Fundraising and raffle expenses	433	720
	<b>188,265</b>	<b>41,065</b>
<b>Excess of revenue over expenses for the year</b>	<b>\$ 119</b>	<b>\$ 4,488</b>

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**Bruce Peninsula Biosphere Association**  
**Statement of Cash Flows**

<b>For the year ended December 31</b>	<b>2013</b>	<b>2012</b>
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenue over expenses for the year	\$ 119	\$ 4,488
Changes in non-cash working capital balances		
Accounts receivable	(18,536)	(2,767)
Accounts payable and accrued liabilities	11,037	1,427
Deferred revenue	54,038	(4,757)
	<hr/>	<hr/>
<b>Increase (decrease) in cash during the year</b>	<b>46,658</b>	<b>(1,609)</b>
<b>Cash and bank, beginning of the year</b>	<b>11,239</b>	<b>12,848</b>
	<hr/>	<hr/>
<b>Cash and bank, end of the year</b>	<b>\$ 57,897</b>	<b>\$ 11,239</b>

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**Bruce Peninsula Biosphere Association**  
**Notes to Financial Statements**

**December 31, 2013**

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**1. Summary of Significant Accounting Policies**

**Nature and Purpose of Organization**

Established in 2000, the Bruce Peninsula Biosphere Association is dedicated to implementing the concepts of UNESCO World Biosphere Reserves within the 750 kilometre long Niagara Biosphere Reserve. The Association is a registered charity under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

**Basis of Accounting**

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

These financial statements have been prepared using the accrual basis of accounting. The accrual basis recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

**Revenue Recognition**

The Association follows the deferral method of accounting for contributions.

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.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized.

Donations, fundraising, raffle and memberships are recorded when received.

**Capital Assets**

Capital assets are not recorded on the balance sheet. Expenditures for capital assets in the year are recorded as expenses and disclosed in the statement of operations.

**Pledges**

Pledges to donate funds to the Association are not included in revenues until such time as the funds are received.

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**Bruce Peninsula Biosphere Association**  
**Notes to Financial Statements**

**December 31, 2013**

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

<b>Contributed Services</b>	Volunteers assist the Association in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.
<b>Contributed Materials and Services</b>	Contributed materials and services which are used in the normal course of the Association'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.
<b>Financial Instruments</b>	Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale of issue of financial instruments are charged to the financial instrument for those measured at amortized cost.

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**2. Accounts Receivable**

There are no impairment allowances relating to accounts receivable.

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**3. Accounts Payable and Accrued Liabilities**

There are no government remittances included in accounts payable and accrued liabilities.

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**4. Deferred Revenue**

	<u>2013</u>	<u>2012</u>
Ministry of Environment/Environment Canada - EcoAction	\$ 25,279	\$ -
Ontario Trillium Foundation	20,282	-
Friends of the Greenbelt Foundation	9,235	758
	<u>\$ 54,796</u>	<u>\$ 758</u>

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**Bruce Peninsula Biosphere Association**  
**Notes to Financial Statements**

**December 31, 2013**

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**5. Financial Risks**

The Association is exposed to risks that arise from its use of financial instruments. The Association's financial instruments consist of cash and bank, accounts receivable, and accounts payable and accrued liabilities. It is management's opinion that the Association is not exposed to significant currency risk arising from these financial instruments. The Association is exposed to credit risk arising from its accounts receivable and liquidity risk arising from its accounts payable and accrued liabilities.

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