

Summarized Financial Statements of

**GRASSLANDS CONSERVATION
COUNCIL OF BC**

Year ended March 31, 2009



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AUDITORS' REPORT ON SUMMARIZED FINANCIAL STATEMENTS

To the Directors of Grasslands Conservation Council of British Columbia

The accompanying summarized statement of financial position and statements of operations, changes in net assets and cash flows are derived from the complete financial statements of Grasslands Conservation Council of British Columbia as at March 31, 2009 and for the year then ended on which we expressed an opinion without reservation in our report dated June 2, 2009. The fair summarization of the complete financial statements is the responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of The Canadian Institute of Chartered Accountants, is to report on the summarized financial statements.

In our opinion, the accompanying financial statements fairly summarize, in all material respects, the related complete financial statements in accordance with the criteria described in the Guideline referred to above.

These summarized financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on the Council's financial position, results of operations and cash flows, reference should be made to the related complete financial statements.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Accountants

Kamloops, Canada
June 2, 2009

GRASSLANDS CONSERVATION COUNCIL OF BC

Exhibit A - Statement of Financial Position

March 31, 2009 with comparative figures for 2008

	2009	2008
Assets		
Current assets:		
Cash	\$ 494,141	\$ 228,914
Accounts receivable	26,440	223,177
Prepaid expenses	1,975	2,498
	<u>522,556</u>	<u>454,589</u>
Capital assets (note 2)	3,511	2,642
	<u>\$ 526,067</u>	<u>\$ 457,231</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 41,418	\$ 31,129
Deferred general grant revenue (note 3)	41,500	-
Deferred Partnership Initiative grant revenue (note 4)	339,475	378,221
	<u>422,393</u>	<u>409,350</u>
Net assets:		
Invested in capital assets - Exhibit C	3,511	2,642
Internally restricted - Exhibit C	42,623	42,623
Unrestricted - Exhibit C	57,540	2,616
	<u>103,674</u>	<u>47,881</u>
	<u>\$ 526,067</u>	<u>\$ 457,231</u>

See accompanying notes to financial statements.

GRASSLANDS CONSERVATION COUNCIL OF BC

Exhibit B - Statement of Operations

Year ended March 31, 2009 with comparative figures for 2008

	2009	2008
Revenue:		
General grants (note 3)	\$ 599,306	\$ 472,988
Partnership Initiative grants (note 4)	329,232	67,182
Donations and memberships	25,661	29,879
Donations in kind	14,550	11,721
Event registration and sales	10,502	12,145
Interest	9,447	2,376
Miscellaneous revenue	1,028	122
	<u>989,726</u>	<u>596,291</u>
Expenditure:		
Amortization	3,453	2,373
Development and capacity building program	25,303	14,024
Education and outreach program	89,994	126,138
Grassland stewardship and sustainable ranching program	177,898	161,343
Conservation of grassland ecosystems program	160,978	106,441
Partnership initiatives	298,507	53,667
Program planning and coordination	82,366	65,186
Administration	95,434	93,874
	<u>933,933</u>	<u>623,046</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 55,793</u>	<u>\$ (26,755)</u>

See accompanying notes to financial statements.

GRASSLANDS CONSERVATION COUNCIL OF BC

Exhibit C - Statement of Changes in Net Assets

Year ended March 31, 2009 with comparative figures for 2008

	Invested in capital assets	Internally restricted	Unrestricted	Total 2009	Total 2008
Balance, beginning of year	\$ 2,642	\$ 42,623	\$ 2,616	\$ 47,881	\$ 74,636
Excess (deficiency) of revenues over expenditures	(3,453)	-	59,246	55,793	(26,755)
Invested in capital assets	4,322	-	(4,322)	-	-
Balance, end of year	\$ 3,511	\$ 42,623	\$ 57,540	\$ 103,674	\$ 47,881

See accompanying notes to financial statements.

GRASSLANDS CONSERVATION COUNCIL OF BC

Exhibit D - Statement of Cash Flows

Year ended March 31, 2009 with comparative figures for 2008

	2009	2008
Cash provided by (used in):		
Operations:		
Excess (deficiency) of revenues over expenditures	\$ 55,793	\$ (26,755)
Item not involving cash:		
Amortization	3,453	2,373
	59,246	(24,382)
Changes in non-cash working capital:		
Accounts receivable	196,737	(116,983)
Prepaid expenses	523	413
Accounts payable and accrued liabilities	10,289	3,054
Deferred general grant revenue	41,500	(37,930)
Deferred Partnership Initiative grant revenue	(38,746)	309,221
	269,549	133,392
Investments:		
Purchase of capital assets	(4,322)	-
Net increase in cash	265,227	133,393
Cash, beginning of year	228,914	95,521
Cash, end of year	\$ 494,141	\$ 228,914

See accompanying notes to financial statements.

GRASSLANDS CONSERVATION COUNCIL OF BC

Notes to Financial Statements

Year ended March 31, 2009

The Society's principal objective is to promote education, conservation, and stewardship of British Columbia's grasslands. The Society is incorporated under the Society Act of British Columbia and 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.

1. Significant accounting policies:

(a) Basis of presentation:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for non-profit organizations, as defined in the Canadian Institute of Chartered Accountants Handbook.

(b) Revenue recognition:

The Society follows the deferral method of accounting for contributions which include donations and grants. Grants are recorded as revenue in the period to which they relate. When a portion of a grant relates to a future period, it is deferred and recognized in the subsequent period.

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.

Revenues from memberships and event registration and sales are recognized when the services are provided or the goods are sold.

Interest is recognized when earned.

(c) Donated materials and services:

Donated materials and services are recorded at fair market value when the fair market value can reasonably be estimated and when the materials and services are normally purchased by the Society and would be paid for if not donated.

GRASSLANDS CONSERVATION COUNCIL OF BC

Notes to Financial Statements

Year ended March 31, 2009

1. Significant accounting policies (continued):

(d) Capital assets:

Capital assets are valued at acquisition cost and are recorded in the Capital Fund. Amortization is recorded on a straight-line basis at the following annual rates:

Asset	Rate
Computer equipment and software	33%
Office equipment	20%

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the fair value of the asset.

(e) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenues and expenses during the year. Actual results could differ from those estimates.

GRASSLANDS CONSERVATION COUNCIL OF BC

Notes to Financial Statements

Year ended March 31, 2009

1. Significant accounting policies (continued):

(f) New accounting pronouncements:

i) Accounting pronouncements adopted during the year:

The following new CICA Handbook sections have been issued and become effective for the Society, as of its fiscal year commencing April 1, 2008:

The CICA had previously issued Section 3862 "Financial Instruments - Disclosure" and Section 3863 "Financial Instruments - Presentation", which were to become effective for the Society in the 2009 fiscal year and which require expanded financial instrument disclosure and presentation standards from those prescribed in Section 3861 "Financial Instruments – Disclosure and Presentation." However, the CICA announced during the year that not-for-profit organizations, including entities such as the Society, may elect to continue to apply Section 3861 in place of Sections 3862 and 3863. Accordingly, the Society has elected to continue to apply the financial instrument disclosure and presentation standards in Section 3861 in its March 31, 2009 financial statements. Sections 3862 and 3863 will become effective for the Society's 2010 fiscal year.

Section 1535, Capital Disclosures. Under this new standard, the Society is required to disclose information that enables users of the financial statements to evaluate the effect of any externally imposed capital requirements and in the event of non-compliance, the consequences of not complying with these capital requirements.

ii) Accounting pronouncements issued but not yet effective:

In September 2008, the CICA made certain amendments to the Handbook Section 4400, "Financial Statement Presentation by Not-for Profit Organizations" and Section 4470, "Disclosure of Allocated Expenses by Not-for-Profit Organizations". The amendments are effective for the Society's fiscal year commencing April 1, 2009 and include the following:

- a) Removal of requirements to treat net assets invested in capital assets as a separate component of net assets; disclosure would be optional
- b) Make Section 1540, "Cash Flow Statements" applicable, effectively requiring NPO's to include a Statement of Cash Flows, previously considered optional
- c) Require NPO's to disclose their policy on the allocation of fundraising and general support expenses, their nature, basis and amount of the allocation.

The adoption of the amended standards is not expected to significantly impact the Society's financial statements.

GRASSLANDS CONSERVATION COUNCIL OF BC

Notes to Financial Statements

Year ended March 31, 2009

1. Significant accounting policies (continued):

(g) Financial instruments:

The Society classifies its financial instruments into one of these five categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are measured in the Statement of Financial Position at fair value except for loans and receivables, held to maturity investments and other financial liabilities which are measured at cost. Upon adoption of this standard, the Society designated its assets and liabilities as follows:

- Cash was designated as held for trading and measured at fair value, with changes in fair value recognized in the excess (deficiency) of revenues over expenditures;
- Accounts receivable has been classified as loans and receivables and is measured at amortized cost;
- Accounts payable and accrued liabilities has been classified as other financial liabilities and is measured at amortized cost.

2. Capital assets:

				2009	2008
	Cost	Accumulated amortization		Net book value	Net book value
Computer equipment	\$ 19,229	\$ 16,348	\$	2,881	\$ 728
Office equipment	6,418	5,788		630	1,914
Computer software	6,700	6,700		-	-
	\$ 32,347	\$ 28,836	\$	3,511	\$ 2,642

GRASSLANDS CONSERVATION COUNCIL OF BC

Notes to Financial Statements

Year ended March 31, 2009

3. General grant revenue:

	Deferred revenue, March 31, 2008	2009 contributions	Deferred revenue, March 31, 2009	2009 general grant revenues
Agriculture Environment Initiatives	\$ -	\$ 3,000	\$ -	\$ 3,000
BC Gaming Commission	-	20,000	-	20,000
City of Kamloops	-	31,000	-	31,000
Habitat Conservation Trust Fund (HCTF)	-	27,500	-	27,500
Habitat Stewardship Program	-	48,000	-	48,000
Ministry of Forests and Range	-	100,000	-	100,000
Ministry of Environment	-	100,000	-	100,000
Ministry of Agriculture and Lands	-	35,360	-	35,360
The Nature Trust of BC	-	3,500	-	3,500
The Real Estate Foundation of British Columbia	-	55,000	-	55,000
Ministry of Forests and Range (from Partnership Initiative funding) Note 1	-	38,000	-	38,000
Tula Foundation	-	80,000	40,000	40,000
Vancouver Foundation	-	25,000	-	25,000
Ducks Unlimited Canada	-	16,721	-	16,721
Beef Cattle Industry Development Fund	-	2,000	-	2,000
International Union for Conservation	-	3,675	-	3,675
The Bullitt Foundation	-	47,795	-	47,795
Other - Revenue	-	4,255	1,500	2,755
	\$ -	\$ 640,806	\$ 41,500	\$ 599,306

Note 1: The amounts transferred from Ministry of Forests and Range (Partnership Initiative Funding) consists of the following:

\$15,000	Ecosystem Restoration: Cariboo Chilcotin Region
20,000	Guidebook Illustrations
<u>3,000</u>	Small Mammal Research Project
\$38,000	

GRASSLANDS CONSERVATION COUNCIL OF BC

Notes to Financial Statements

Year ended March 31, 2009

4. Partnership initiative grant revenue:

	Deferred revenue, March 31, 2008	2009 contributions	Deferred revenue, March 31, 2009	2009 grant revenues
Ministry of Forests and Range	\$ 333,322	\$ 175,086	\$ 248,516	\$ 259,892
Ministry of Agriculture and Lands	28,512	-	24,058	4,454
Ministry of Environment	16,387	115,400	66,901	64,886
	<u>\$ 378,221</u>	<u>\$ 290,486</u>	<u>\$ 339,475</u>	<u>\$ 329,232</u>

5. Financial instruments:

The carrying value of cash, accounts receivable, and accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of these items, unless otherwise noted. It is management's opinion that the Council is not exposed to significant interest, currency or credit risks from these financial instruments.

6. Capital management:

The Society is not subject to debt covenants or any other capital requirements with respect to operating funding. Funding received for designated purposes must be used for the purpose outlined in the funding letter. The Society has complied with the external restrictions on the funding provided.

7. Comparative figures:

Certain 2008 comparative figures have been restated to conform with presentation adopted in the current year.

GRASSLANDS CONSERVATION COUNCIL OF BRITISH COLUMBIA

Exhibit E - Statement of Operations and Net Assets - Operating Fund
Year ended March 31, 2009

	Net Assets 2008	Revenue (1)	Expenditures	Excess (deficiency)	Transfers	Net Assets 2009
Development and Capacity Building						
Donor & Membership Services	\$ -	19,622	\$ 19,622	\$ -	\$ -	-
Fundraising - Field	-	1,625	1,625	-	-	-
General Fundraising and Development	-	4,056	4,056	-	-	-
	-	25,303	25,303	-	-	-
Education and Outreach Program						
BC Grasslands Magazine	-	41,540	41,540	-	-	-
Interpretive Signs	-	658	658	-	-	-
Annual Grassland Symposium and Workshop	-	10,325	10,325	-	-	-
BC Grasslands Website	-	12,587	12,581	6	-	6
Public Service Announcements (PSAs)	-	6,487	6,487	-	-	-
Education Curriculum	-	427	427	-	-	-
Mediat Outreach	-	2,198	2,198	-	-	-
Grassland Awareness Campaigns	-	9,801	9,800	1	-	1
General Grassland Education and Outreach	-	16,757	16,757	-	-	-
	-	100,780	100,773	7	-	7
Grassland Stewardship and Sustainable Ranching Program						
Grassland Monitoring Manual for BC	-	67,200	51,866	15,334	-	15,334
ORV Coalition and Strategy	-	4,206	4,206	-	-	-
Planning for Change Initiative	-	76,585	74,346	2,239	-	2,239
Okanagan Collaborative Conservation Program	-	3,150	3,108	42	-	42
Ecological Assessment - Lac Du Bois Grasslands	-	34,562	28,702	5,860	-	5,860
Grasslands Natural Capital Initiative	-	31,275	22,023	9,252	-	9,252
Ungrazed Areas Working Group	-	79	79	-	-	-
Invasive Plant Council of BC	-	28	23	5	-	5
South Okanagan Similkameen Conservation Program	-	4,597	4,597	-	-	-
Ministry of Forests and Range - Practices Advisory Council (PAC)	-	2,982	2,982	-	-	-
Grassland Stewardship & Securement	-	1,901	1,901	-	-	-
Grasslands Research and Stewardship Centre	-	800	673	127	-	127
Ranchland Securement Toolkit	-	92	92	-	-	-
General Stewardship Activities	-	11,787	11,787	-	-	-
	-	239,246	206,387	32,859	-	32,859
Conservation of Grassland Ecosystems Program						
Canadian Intermountain Joint Venture	-	2,587	2,587	-	-	-
Priority Grasslands Initiative	-	158,848	156,348	2,500	-	2,500
International Grassland and Rangeland Congress	-	15,188	15,188	-	-	-
General Conservation	-	4,905	4,905	-	-	-
	-	181,528	179,028	2,500	-	2,500
Partnership Initiatives						
Ministry of Forests and Range - Biogeoclimatic Ecosystem Classification Project (BEC)	-	18,553	18,553	-	-	-
Ministry of Forests and Range - Small Mammal Research Project	-	73,045	73,045	-	-	-
Ministry of Agriculture and Lands - Plant Health in First Nations Rangelands Project	-	4,454	4,454	-	-	-
Ministry of Environment - Small Mammal Habitat Needs Research	-	4,387	4,387	-	-	-
Ministry of Forests and Range - Guidebook Illustrations	-	26,556	26,556	-	-	-
Ministry of Forests and Range - Ecosystem Restoration: Cascades District	-	61,160	61,160	-	-	-
Ministry of Forests and Range - Ecosystem Restoration: Cariboo Chilcotin Region	-	80,578	80,578	-	-	-
Ministry of Environment - Spadefoot Ecology in the Cariboo Research	-	14,000	14,000	-	-	-
Ministry of Environment - Species at Risk Recovery Action Planning Initiative	-	46,499	46,499	-	-	-
	-	329,232	329,232	-	-	-
Program Planning and Coordination						
	-	90,878	90,878	-	-	-
General Administration						
	2,616	119,312	95,434	23,878	(4,322)	22,172
Total	\$ 2,616	\$ 1,086,280	\$ 1,027,035	\$ 59,245	\$ (4,322)	\$ 57,539

(1): Note that revenues and expenditures per this Exhibit include administration fee revenue and expense of \$96,555 which are eliminated on consolidation in Exhibit B.

GRASSLANDS CONSERVATION COUNCIL OF BRITISH COLUMBIA

Exhibit F - Comparative Statement of Operations - Operating Fund

Year ended March 31, 2009, with comparative figures for 2008

	2009		2008	
	Revenues	Expenditures	Revenues	Expenditures
Development and Capacity Building				
Donor & Membership Services	\$ 19,622	\$ 19,622	\$ 4,705	\$ 5,031
Fundraising Events	-	-	9,000	8,993
Fundraising - Field	1,625	1,625	-	-
General Fundraising and Development	4,056	4,056	-	-
	25,303	25,303	13,705	14,024
Education and Outreach Program				
BC Grasslands Magazine	41,540	41,540	30,555	30,555
Interpretive Signs	658	658	493	494
Annual Grassland Symposium and Workshop	10,325	10,325	21,263	21,263
BC Grasslands Website	12,587	12,581	13,021	15,814
Public Service Announcements (PSAs)	6,487	6,487	28,382	28,382
Education Curriculum	427	427	-	-
General Grassland Education and Outreach	-	-	9,280	9,280
BC Grassland Book	2,198	2,198	15,309	15,309
Media Outreach	9,801	9,800	-	-
Grassland Awareness Campaigns	16,757	16,757	5,042	5,042
	100,780	100,773	123,345	126,138
Grassland Stewardship and Sustainable Ranching Program				
Grassland Monitoring Manual for BC	67,200	51,866	32,707	32,707
ORV Coalition and Strategy	4,206	4,206	7,108	8,173
Planning for Change Initiative	76,585	74,346	80,339	71,925
Okanagan Collaborative Conservation Project	3,150	3,108	469	469
Ecological Assessment - Aberdeen Grasslands	-	-	15,590	15,590
Ecological Assessment - Lac Du Bois	34,562	28,702	-	-
Grasslands Natural Capital	31,275	22,023	-	-
Grassland Best Management Practices	-	-	10,320	12,331
Ungrazed Areas Working Group	79	79	2,607	2,607
Invasive Plant Council	28	23	120	120
South Okanagan Similkameen Conservation Program	4,597	4,597	656	656
Ministry of Forests and Range - PAC	2,982	2,982	2,418	2,418
Grassland Stewardship & Securement	1,901	1,901	858	858
Grasslands Research and Stewardship Centre	800	673	-	-
Ranchland Securement Toolkit	92	92	-	-
General Stewardship Activities	11,787	11,787	8,639	13,489
	239,246	206,387	161,831	161,343
Conservation of Grassland Ecosystems Program				
Canadian Intermountain Joint Venture	2,587	2,587	722	722
Priority Grasslands Initiative	158,848	156,348	97,981	104,447
International Grassland and Rangeland Congress	15,188	15,188	-	-
General Conservation	4,905	4,905	1,272	1,272
	181,528	179,028	99,974	106,441
Partnership Initiatives				
Ministry of Forests and Range - BEC Project	18,553	18,553	(24,346)	29,438
Ministry of Forests and Range - Small Mammal Research Project	73,045	73,045	18,161	18,161
Ministry of Agriculture and Lands - Plant Health in FN Rangelands	4,454	4,454	68	68
Ministry of Environment - Small Mammal Habitat Needs Research	4,387	4,387	6,000	6,000
Ministry of Forests and Range - Guidebook Illustrations	26,556	26,556	-	-
Ministry of Forests and Range - ER Cascades District	61,160	61,160	-	-
ER - Cariboo Chilcotin Region	80,578	80,578	-	-
Ministry of Environment - Spadefoot Ecology in the Cariboo	14,000	14,000	-	-
Ministry of Environment - Species at Risk	46,499	46,499	-	-
	329,232	329,232	(117)	53,667
Program Planning and Coordination				
	90,878	90,878	91,054	65,186
General Administration				
	119,312	95,434	106,500	93,875
Total	\$ 1,086,280	\$ 1,027,035	\$ 596,292	\$ 620,674