

**EDMONTON AND AREA LAND TRUST**  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
AND  
AUDITORS' REPORT



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**AUDITORS' REPORT**

To the Members of **Edmonton and Area Land Trust:**

We have audited the statement of financial position of **Edmonton and Area Land Trust** as at December 31, 2008 and the statements of changes in net assets, operations and cash flows for the year then ended. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the Trust derives revenue from donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to this revenue, excess of revenue for the year and net assets at end of the year.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2008 and the results of its operations, changes in its net assets and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

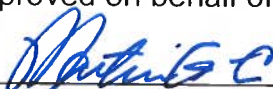
Edmonton, Alberta  
July 28, 2009

*Yaremchuk + Annicchiarico LLP*  
Chartered Accountants

**EDMONTON AND AREA LAND TRUST**  
**STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2008**

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash .....	\$169,002	\$275,000
Accounts receivable .....	1,235	-
Prepaid expenses .....	<u>1,041</u>	<u>-</u>
Total current assets .....	171,278	275,000
EQUIPMENT (Note 3) .....	<u>11,457</u>	<u>-</u>
TOTAL .....	<u>\$182,735</u>	<u>\$275,000</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITY - accounts payable and accrued liabilities .....		
	\$ <u>15,889</u>	\$ <u>-</u>
DEFERRED REVENUE (Note 4) .....	<u>9,650</u>	<u>-</u>
NET ASSETS:		
Invested in equipment .....	11,457	-
Unrestricted .....	<u>145,739</u>	<u>275,000</u>
Total net assets .....	<u>157,196</u>	<u>275,000</u>
TOTAL .....	<u>\$182,735</u>	<u>\$275,000</u>

Approved on behalf of the Board:

 Director

 Director

**EDMONTON AND AREA LAND TRUST**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

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	Invested in <u>Equipment</u>	<u>Unrestricted</u>	<b>2008</b> <b><u>Total</u></b>	2007 <u>Total</u>
Balance at beginning of the year .....	\$ -	\$ 275,000	<b>\$ 275,000</b>	\$ -
Excess of (expenses) revenue for the year .....	(973)	(116,831)	<b>(117,804)</b>	275,000
Purchase of equipment .....	<u>12,430</u>	<u>(12,430)</u>	<u>-</u>	<u>-</u>
Balance at end of the year .....	<b><u>\$11,457</u></b>	<b><u>\$ 145,739</u></b>	<b><u>\$ 157,196</u></b>	<b><u>\$275,000</u></b>

**EDMONTON AND AREA LAND TRUST**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>2008</u>	<u>2007</u>
<b>UNRESTRICTED REVENUE:</b>		
Grants - City of Edmonton .....	\$ -	\$275,000
Donations .....	<u>2,715</u>	<u>-</u>
Total unrestricted revenue .....	<u>2,715</u>	<u>275,000</u>
<b>RESTRICTED REVENUE:</b>		
Alberta Real Estate Foundation grant.....	10,000	-
Amortization of deferred revenue (Note 4).....	<u>350</u>	<u>-</u>
Total restricted revenue .....	<u>10,350</u>	<u>-</u>
<b>TOTAL REVENUE</b> .....	<u><b>13,065</b></u>	<u><b>275,000</b></u>
<b>EXPENSES:</b>		
Advertising and promotion .....	6,946	-
Amortization.....	973	-
Board meetings .....	1,403	-
Communication.....	1,748	-
Conference fees .....	885	-
Goods and services tax .....	1,234	-
Interest and penalties .....	1,837	-
Office .....	4,005	-
Professional fees .....	17,128	-
Printing .....	6,312	-
Salary and benefits .....	84,376	-
Travel.....	<u>4,022</u>	<u>-</u>
Total expenses .....	<u>130,869</u>	<u>-</u>
<b>EXCESS OF (EXPENSES) REVENUE FOR THE YEAR</b> .....	<u><b>\$(117,804)</b></u>	<u><b>\$275,000</b></u>

**EDMONTON AND AREA LAND TRUST**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>2008</u>	<u>2007</u>
OPERATING ACTIVITIES:		
Cash from operations:		
Excess of (expenses) revenue for the year .....	\$(117,804)	\$275,000
Item not involving cash for operations – amortization .....	<u>973</u>	<u>-</u>
	(116,831)	275,000
Increase (decrease) in non-cash working capital balances related to operations:		
Accounts receivable.....	(1,235)	-
Prepaid expenses.....	(1,041)	-
Accounts payable and accrued liabilities .....	15,889	-
Deferred revenue.....	<u>9,650</u>	<u>-</u>
Net cash (used in) from operating activities .....	(93,568)	275,000
INVESTING ACTIVITY – purchase of equipment.....	<u>(12,430)</u>	<u>-</u>
(DECREASE) INCREASE IN CASH FOR THE YEAR .....	(105,998)	275,000
CASH AT BEGINNING OF THE YEAR .....	<u>275,000</u>	<u>-</u>
CASH AT END OF THE YEAR.....	<u>\$ 169,002</u>	<u>\$275,000</u>

**EDMONTON AND AREA LAND TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008**

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**1. PURPOSE OF THE TRUST:**

The Edmonton and Area Land Trust was incorporated on March 13, 2007 as a non-profit organization under the Alberta Companies Act.

The Edmonton and Area Land Trust is established for the charitable purposes of conserving and protecting Canada's environmental heritage by undertaking activities that conserve the natural ecosystems and cultural heritage landscapes in the lands comprising the City of Edmonton and the several counties that directly border on the City which activities shall focus on maintaining the biodiversity and ecological integrity of those lands for the public benefit.

The Edmonton and Area Land Trust is exempt from income taxes under the Income Tax Act as a registered charitable organization.

**2. ACCOUNTING POLICIES:**

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. Significant accounting policies are as follows:

*Revenue recognition:*

The Trust follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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.

Amounts received from grants and donations which must be expended for specific purposes are recognized as revenue to the extent of the related expenses incurred. Unexpended funds are deferred to subsequent years and are either expended or refunded at that time.

*Donated services:*

The work of the Trust is dependent on the voluntary service of many individuals. Since these services are not normally purchased by the Trust and because of the difficulty of determining their fair value donated services are not recognized in these financial statements.

*Equipment:*

Equipment is stated at cost. Amortization is provided using the diminishing-balance method at the following annual rates:

Furniture and equipment .....	20%
Computer.....	55%
Website .....	7%

**EDMONTON AND AREA LAND TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008**

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2. ACCOUNTING POLICIES (continued):

*Cash and cash equivalents:*

Cash and cash equivalents consist of balances with banks and short-term investments with maturities not exceeding 90 days.

*Use of estimates:*

The preparation of financial statements in conformity with Canadian 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

3. EQUIPMENT:

The major categories of equipment and related accumulated amortization are as follows:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>
Furniture and equipment .....	\$ 258	\$ 26	\$ 232
Computer .....	2,172	597	1,575
Website .....	<u>10,000</u>	<u>350</u>	<u>9,650</u>
Total.....	<u>\$12,430</u>	<u>\$973</u>	<u>\$11,457</u>

4. DEFERRED REVENUE:

Deferred revenue consists of the following:

	<u>Operations</u>	<u>Capital</u>	<u>Total</u>
Grant received - Alberta Real Estate Foundation.....	\$10,000	\$10,000	\$20,000
Expenditures incurred .....	<u>10,000</u>	<u>350</u>	<u>10,350</u>
Balance at end of the year .....	<u>\$ -</u>	<u>\$ 9,650</u>	<u>\$ 9,650</u>

Deferred revenue - capital is recognized as revenue on the same basis as the related equipment is amortized.



**EDMONTON AND AREA LAND TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008**

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5. EXTERNALLY RESTRICTED INVESTMENTS:

The Edmonton and Area Land Trust is to be supported by income from endowment funds held by the Edmonton Community Foundation. The establishment of the endowment funds provides for the Edmonton Community Foundation to invest and administer the funds contributed on behalf of the Edmonton and Area Land Trust. The Edmonton and Area Land Trust may receive payment annually of the net income from the endowment fund to support its mission. The Edmonton Community Foundation holds two endowment funds as follows:

	<u>Operating Fund</u>	<u>Capital Fund</u>
Endowment fund donations .....	\$2,899,500	\$15,000
Investment losses .....	(455,875)	(1,820)
Fund expenses .....	<u>(28,944)</u>	<u>(39)</u>
Balance at December 31, 2008.....	<u>\$2,414,681</u>	<u>\$13,141</u>

It is anticipated the Edmonton Community Foundation will disburse 3.5% of the operating fund value as an operating grant to Edmonton and Area Land Trust for 2009 operations and no amount is anticipated to be granted from the capital fund for 2009.

6. FINANCIAL INSTRUMENTS:

The Trust's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities. It is management's opinion that the Trust is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The carrying value of the financial instruments approximates their fair value.