

East Kootenay Invasive Plant Council
Financial Statements
For the year ended December 31, 2009
(Unaudited)

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Review Engagement Report

**To the Members
East Kootenay Invasive Plant Council**

We have reviewed the statement of financial position of East Kootenay Invasive Plant Council as at December 31, 2009 and the statements of revenue, expenditure and surplus and cash flows 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 Society.

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 generally accepted accounting principles.

The figures for 2008 were not audited or reviewed and were prepared by management.

Chartered Accountants

Cranbrook, BC
February 26, 2010

**East Kootenay Invasive Plant Council
Statement of Financial Position
(Unaudited)**

December 31 **2009** **2008**

Assets

Current

Cash	\$	46,447	\$	22,029
Grants receivable		109,393		-
GST receivable		10,017		7,071
Prepaid expenses		735		-
		166,592		29,100

Liabilities and Net Assets

Current

Accounts payable and accrued liabilities	\$	18,796	\$	2,230
Deferred contributions (Note 1)		30,000		-
		48,796		2,230

Net Assets

Unrestricted		117,796		26,870
		\$ 166,592		\$ 29,100

Financial Instruments (Note 2)
Economic Dependence (Note 3)
Capital Disclosure (Note 4)
Related Party Transactions (Note 5)

Bank Overdraft (Note 6)
Comparative Figures (Note 7)

On behalf of the Board:

_____ Director

_____ Director

**East Kootenay Invasive Plant Council
Statement of Revenue, Expenditure and Surplus
(Unaudited)**

For the year ended December 31	2009	2008
		(Note 7)
Revenue		
Grants	\$ 463,872	\$ 385,000
Contract revenue	67,662	950
Interest	1,979	-
	<u>533,513</u>	<u>385,950</u>
Expenditure		
Accounting	2,000	-
Advertising	2,565	-
Community adjustment fund (Schedule)	131,596	-
Conferences and training	2,990	2,349
Contractor services	327,199	314,427
Honorarium	3,163	3,747
Insurance	965	875
Interest and bank charges	44	-
Meetings	721	-
Memberships and licenses	151	132
Office and miscellaneous	1,703	718
Supplies	10,477	27,016
Telephone and utilities	117	45
Travel and vehicle expenses	5,499	9,771
	<u>489,190</u>	<u>359,080</u>
Excess of revenue over expenditure	44,323	26,870
Net assets, beginning of year	<u>26,870</u>	-
	71,193	26,870
Funds received from Regional District of East Kootenay (Note 8)	<u>46,603</u>	-
Net assets, end of year	<u>\$ 117,796</u>	<u>\$ 26,870</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**East Kootenay Invasive Plant Council
Statement of Cash Flows
(Unaudited)**

For the year ended December 31	2009	2008
		(Note 7)
Cash provided by (used in)		
Operating activities		
Funding received	\$ 449,195	\$ 378,879
Cash paid to suppliers	(473,359)	(356,850)
Interest received	1,979	-
	(22,185)	22,029
Investing activity		
Funds received from Regional District of East Kootenay	46,603	-
Increase in cash	24,418	22,029
Cash, beginning of year	22,029	-
Cash, end of year	\$ 46,447	\$ 22,029

East Kootenay Invasive Plant Council Summary of Significant Accounting Policies (Unaudited)

December 31, 2009

Nature of Business	The Society is incorporated under the laws of British Columbia. Its primary purpose is to reduce and minimize the negative environmental, social and economic impacts caused by the introduction, establishment and spread of invasive alien plant species in the East Kootenay region.
Financial Instruments	<p>The Society has a number of financial instruments. Financial instruments have been recognized as follows:</p> <ul style="list-style-type: none">(a) Receivables are comprised of grants and GST receivable and are measured at fair value.(b) Held-for-trading instruments are comprised of cash and are measured at fair value.(c) Other financial liabilities are comprised of accounts payable and are measured at cost.
Revenue Recognition	<p>The Society uses the deferral method of accounting for contributions. Under this method, restricted contributions related to expenses in future periods are deferred and recognized as revenue in the period in which the related expenses are incurred.</p> <p>Unrestricted contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.</p>
Use of Estimates	The preparation of financial statements, in accordance with Canadian generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they became known. Significant estimates for the Society include the allowance for doubtful accounts and the calculation of deferred revenue.

East Kootenay Invasive Plant Council Notes to Financial Statements (Unaudited)

December 31, 2009

1. Deferred Contributions

Deferred contributions reported relate to funding received in the current period that is related to expenses in the subsequent period. Changes in the deferred contributions balance reported are as follows:

Beginning balance	\$ -
Add amount received related to the following year	<u>30,000</u>
Ending balance	<u>\$ 30,000</u>

2. Financial Instruments

The Society's financial instruments consist of cash, grants receivable, GST receivable and accounts payable. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency, or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

3. Economic Dependence

The Society is dependent on government sources for a major portion of its funding.

4. Capital Disclosure

The Society identifies net assets and funds received as its capital. The Society's objectives when managing capital are to safeguard the Society's ability to carry on as a going concern and to be able to continue reducing and minimizing the introduction, establishment and spread of invasive alien plant species in the East Kootenay region. The Society monitors its managed capital through a review of its net asset position in conjunction with communications with a number of external funding agencies to ensure that sufficient funds are available to meet its objectives in the region.

**East Kootenay Invasive Plant Council
Notes to Financial Statements
(Unaudited)**

December 31, 2009

5. Related Party Transactions

During the year, the Society contracted the services of one of its directors for \$6,545 (2008 - \$5,996). These transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed by the related parties.

6. Bank Overdraft

The Society has an authorized bank overdraft of \$40,000 without security and with no balance drawn at year end. Interest is paid monthly at prime plus 2.25%. The credit facility agreement is reviewed annually.

7. Comparative Figures

The Comparative figures are for the period from June 12, 2008 (incorporation date) to December 31, 2008.

8. Funds Received

In 2005, the Province of British Columbia invested \$1.2 million for a three year pilot project in invasive plant management in the East Kootenay region. The Regional District of East Kootenay was the administrator of all funds and contracts of the pilot project which was completed in 2007. In 2009, the Regional District of East Kootenay transferred the remaining funds of the pilot project to the Society.

**East Kootenay Invasive Plant Council
Schedule - Community Adjustment Fund Expenditures
(Unaudited)**

For the year ended December 31	2009
Spotters and specialists	\$ 54,687
Treatment and materials	52,826
Training	9,108
Monitoring	8,316
Manual control	6,659
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	\$ 131,596