

**PENINSULA STREAMS SOCIETY**  
**Financial Statements**  
**Year Ended December 31, 2019**

**PENINSULA STREAMS SOCIETY**  
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**Year Ended December 31, 2019**

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**PATERSON HENN CPA**  
CHARTERED PROFESSIONAL ACCOUNTANTS

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Members of Peninsula Streams Society

We have reviewed the accompanying financial statements of Peninsula Streams Society ("the Society") that comprise the statement of financial position as at December 31, 2019, and the statements of operations and deficit 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 (ASNPO), 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.

### **Practitioner's Responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Peninsula Streams Society as at December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

### **Report on Other Legal and Regulatory Requirements**

As required by the Societies Act, we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with the preceding year.

*Paterson Henn CPA*

Sidney, British Columbia  
March 9, 2020

Chartered Professional Accountants

**PENINSULA STREAMS SOCIETY**  
**Statement of Financial Position**  
**December 31, 2019**

	2019	2018
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 21,434	\$ 8,702
Restricted cash (Note 3)	322,337	89,131
Accounts receivable	300	1,667
GST rebate receivable	2,312	7,509
	346,383	107,009
CAPITAL ASSETS (Note 5)	1,512	2,184
	\$ 347,895	\$ 109,193
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 74,357	\$ 38,130
Wages payable	8,068	7,468
Deferred revenue (Note 6)	287,739	106,015
	370,164	151,613
<b>NET DEBT</b>	(22,269)	(42,420)
	\$ 347,895	\$ 109,193

ON BEHALF OF THE BOARD

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

**PENINSULA STREAMS SOCIETY**  
**Statement of Operations and Deficit**  
**Year Ended December 31, 2019**

	2019	2018
<b>REVENUE</b>		
Contracts	\$ 42,723	\$ 233,522
Corporate sponsorships	15,094	74,585
Grants	158,613	253,384
Donations - organizations	21,133	61,585
Donations - individuals	37,203	28,761
Events and fundraising income	64,976	1,792
Membership fees and other income	2,998	2,026
Interest and investment income	402	200
	<u>343,142</u>	<u>655,855</u>
<b>EXPENSES</b>		
Accounting fees	2,255	2,500
Advertising and promotion	-	350
Amortization	672	672
Bank charges and interest	857	637
Charitable contribution to Society's Endowment Fund (Note 7)	-	15,000
Construction materials	7,150	135,369
Contractor services	87,331	171,311
Equipment rentals	17,062	812
Fundraising expenses	21,193	6,434
GST expenses (net of rebates) (Note 9)	-	8,809
Insurance	597	875
Laboratory fees	8,206	8,107
Memberships	225	-
Office and sundry	3,071	2,930
Professional fees	-	96,995
Refreshments for meetings and volunteers	-	2,053
Rental	644	546
Supplies	13,128	28,928
Telephone and website expenses	690	773
Training	1,560	2,237
Travel	318	-
Vehicle reimbursements	5,197	5,079
Wages - employee benefits	8,976	9,418
Wages - salaries	143,860	150,542
	<u>322,992</u>	<u>650,377</u>
<b>NET EXCESS OF REVENUE OVER EXPENSES</b>	20,150	5,478
NET ASSETS (DEBT) - BEGINNING OF YEAR	<u>(42,419)</u>	<u>(47,898)</u>
<b>NET ASSETS (DEBT) - END OF YEAR</b>	<u>\$ (22,269)</u>	<u>\$ (42,420)</u>

See notes to financial statements

**PENINSULA STREAMS SOCIETY**  
**Statement of Cash Flows**  
**Year Ended December 31, 2019**

	2019	2018
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 20,150	\$ 5,478
Item not affecting cash:		
Amortization of capital assets	672	672
	<u>20,822</u>	<u>6,150</u>
Changes in non-cash working capital:		
Accounts receivable	1,367	15,333
GST rebate receivable	5,197	(6,574)
Accounts payable and accrued liabilities	36,228	2,126
Wages payable	600	7,468
Deferred revenue	181,724	25,820
	<u>225,116</u>	<u>44,173</u>
<b>INCREASE IN CASH FLOW</b>	<b>245,938</b>	<b>50,323</b>
Cash - beginning of year	<u>97,833</u>	<u>47,510</u>
<b>CASH - END OF YEAR</b>	<b>\$ 343,771</b>	<b>\$ 97,833</b>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 21,434	\$ 8,702
Restricted cash (Note 3)	322,337	89,131
	<u>\$ 343,771</u>	<u>\$ 97,833</u>

**PENINSULA STREAMS SOCIETY**  
**Notes to Financial Statements**  
**Year Ended December 31, 2019**

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1. PURPOSE OF THE SOCIETY

Peninsula Streams Society (the "Society") is a not-for-profit organization incorporated under the Societies Act of British Columbia. As a registered charity the Society is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The purposes of Peninsula Streams Society are:

1. To develop, organize and participate in environmental projects and programs on the Saanich Peninsula and surrounding areas that will:
  - monitor, preserve and restore flora and fauna;
  - monitor, preserve and restore rivers, creeks and watershed, marine environments and near-shore environments;
  - conserve, re-use and reduce water and waste;
  - improve the urban and rural/agricultural environments.
2. To educate and increase the understanding of the public, environmental organizations, government and the press about environmental preservation and restoration and their importance, by offering workshops, seminars, training and lectures.
3. To conduct research relating to the environment and disseminate the results of such research.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a straight-line basis:

Trailers	5 years
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Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. Significant contributions in-kind are received each year and where the fair value of these donated materials and services cannot be reasonably determined, these have not been included in revenue and expenses and are therefore not reflected in these financial statements.

*(continues)*

**PENINSULA STREAMS SOCIETY**  
**Notes to Financial Statements**  
**Year Ended December 31, 2019**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Revenue recognition

Peninsula Streams Society 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.

Contract revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

3. RESTRICTED CASH

Restricted cash consists of funding received from gaming and other grants to be used for specific purposes. These amounts include funds to be paid out as payables or grants to be repaid.

4. LINE OF CREDIT

The society has an operating line of credit with Vancity in the amount of \$25,000 with interest payable at prime plus 2% (currently 5.95%). The operating account was not in an overdraft position at the current year end or prior year end.

5. CAPITAL ASSETS

	Cost	Accumulated amortization	<b>2019 Net book value</b>	<b>2018 Net book value</b>
Trailers	\$ 3,360	\$ 1,848	<b>\$ 1,512</b>	<b>\$ 2,184</b>



**PENINSULA STREAMS SOCIETY**  
**Notes to Financial Statements**  
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6. DEFERRED REVENUE

Grants and other contributions related to the Society's projects and specific purposes have been deferred as follows:

	2019	2018
Gaming Grant - Province of BC	\$ 25,500	\$ 19,000
Gaming Grant - Province of BC - Capital Projects	232,285	-
Education Program - VanCity Community Foundation	15,000	-
Education Program - Victoria Foundation	-	20,000
Millstream Project - various sources	14,954	67,015
	\$ 287,739	\$ 106,015

Deferred revenue recognized during the year is included in grant revenue as follows:

	2019	2018
Revenue deferred from prior year	\$ 41,824	\$ 80,195
Revenue deferred to future year	(238,303)	(67,015)
	\$ (196,479)	\$ 13,180

7. CHARITABLE DONATIONS

The Society contributed to a Hosted Organization Endowment Fund with the Victoria Foundation in the prior year (2018 - \$15,000). The contribution is invested by the Victoria Foundation and based on the contributions and any net increases in investment values, the Society is entitled to receive grant funds which can be used for general operations. The distributions are recorded as revenue in the year they are received (2019 - \$549). At December 31, 2019 an additional \$781 was available and has not been recorded as revenue.

The Society and other individuals or organizations are able to contribute to this fund through the Victoria Foundation.

8. REMUNERATION

As required by the Societies Act of British Columbia, a company under contract for services was paid a total of \$82,410 during the year (excluding taxes and reimbursement of materials/other expenditures). No amount was paid to directors during the year and there were no employees paid in excess of \$75,000 during the year.

9. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation. This is limited to the presentation of GST Expenses. In the current year, the GST paid (excluding the amount recoverable as the Public Service Bodies rebate) is included in the various related expenditures and not in a separate account as in 2018.

