



**MISSISSIPPI VALLEY CONSERVATION FOUNDATION**  
**Financial Statements**

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Year Ended December 31, 2020

# MISSISSIPPI VALLEY CONSERVATION FOUNDATION

Index to the Financial Statements

Year Ended December 31, 2020

## Contents

	Page
Independent Auditor's Report	1 & 2
Statement of Financial Position	3
Statement of Net Assets	4
Statement of Operations	5
Statement of Cash Flow	6
Notes to the Financial Statements	7 to 9

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of MISSISSIPPI VALLEY CONSERVATION FOUNDATION

### Qualified Opinion

I have audited the financial statements of MISSISSIPPI VALLEY CONSERVATION FOUNDATION which comprise the statement of financial position as at December 31, 2020, and the statements of operations, net assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of MISSISSIPPI VALLEY CONSERVATION FOUNDATION as at December 31, 2020, and the results of its operations and its cash flow for the year then ended in accordance with Canadian Accounting Standards for Not-for-profit Organizations (ASNPO).

### Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, I was unable to determine whether any adjustments might be necessary to donations, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2020, current assets and net assets as at December 31, 2020.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going-concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit 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 Organization's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Cross Street Professional Corporation  
Authorized to practise public accounting by Chartered Professional Accountants of Ontario

Perth, ON  
May 13, 2021

# MISSISSIPPI VALLEY CONSERVATION FOUNDATION

Statement of Financial Position as at December 31,

**2020**

**2019**

## ASSETS

Current

Cash

\$	136,584	81,470
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## LIABILITIES AND NET ASSETS

Current liabilities

Accounts payable and accrued liabilities (note 4)

\$	21,975	3,957
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Net assets

Restricted (note 3)

99,426	70,596
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Unrestricted

15,183	6,917
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114,609	77,513
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\$	136,584	81,470
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See accompanying notes to the financial statements

Approved by:

Director: Angela Millar  
Angela Millar (May 18, 2021 14:11 EDT)

Director: \_\_\_\_\_

## MISSISSIPPI VALLEY CONSERVATION FOUNDATION

Statement of Net Assets for the year ended December 31,			2020	2019
	Restricted	Unrestricted	Total	
Net assets, beginning of the year	\$ 70,596	6,917	77,513	61,312
Excess of revenue over expenses	33,951	3,145	37,096	16,201
	104,547	10,062	114,609	77,513
Internal transfer	(5,121)	5,121	-	-
Net assets, end of the year	\$ 99,426	15,183	114,609	77,513

## MISSISSIPPI VALLEY CONSERVATION FOUNDATION

Statement of Operations for the year ended December 31,

**2020**      **2019**

	Restricted	General	Total	
<b>Revenue</b>				
Donations	\$ 51,205	5,909	57,114	13,483
<b>Operating expenses</b>				
Donation fees	-	139	139	237
Interest and bank charges	-	109	109	490
Postage		214	214	257
Professional fees	-	2,302	2,302	1,895
	-	2,764	2,764	2,879
<b>Excess of revenue over expenses before other items</b>	51,205	3,145	54,350	10,604
<b>Other items</b>				
Dividend income	-	-	-	526
Gain on disposal of investments	-	-	-	6
Unrealized gain on marketable securities	-	-	-	7,065
	-	-	-	7,597
	51,205	3,145	54,350	18,201
Less Donations to MVCA (note 4)	17,254	-	17,254	2,000
<b>Excess of revenue over expenses</b>	<b>\$ 33,951</b>	<b>3,145</b>	<b>37,096</b>	<b>16,201</b>

See accompanying notes to the financial statements

## MISSISSIPPI VALLEY CONSERVATION FOUNDATION

Statement of Cash Flow for the year ended December 31,	2020	2019
<b>Cash flow from operating activities</b>		
Excess of revenue over expenses	\$ 37,096	16,201
Items not affecting cash:		
Gain on disposal of investments	-	(6)
Unrealized (gain) loss on marketable securities	-	(7,065)
	<u>37,096</u>	<u>9,130</u>
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	<u>18,018</u>	<u>2,457</u>
Net cash provided by operating activities	<u>55,114</u>	<u>11,587</u>
<b>Cash flow from investing activities</b>		
Proceeds from sale of investments	<u>-</u>	<u>60,341</u>
<b>Net increase in cash</b>	<u>55,114</u>	<u>71,928</u>
Cash and cash equivalents at the beginning of the year	<u>81,470</u>	<u>9,542</u>
<b>Cash and cash equivalents at the end of the year</b>	<u>\$ 136,584</u>	<u>81,470</u>

See accompanying notes to the financial statements



# MISSISSIPPI VALLEY CONSERVATION FOUNDATION

Notes to Financial Statements  
Year Ended December 31, 2020

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## 1. Description of Foundation

Mississippi Valley Conservation Foundation is a charitable public foundation exempt from income taxes under paragraph 149(l)(f) of the Income Tax Act as a registered charity. The purpose of the Foundation is to raise funds and provide volunteer support for the conservation and educational programs of Mississippi Valley Conservation Authority.

## 2. Summary of Significant Accounting Policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

### Cash and cash equivalents

Cash and cash equivalents consist primarily of bank balances and cash on hand.

### Fund accounting

The Foundation follows the restricted fund method of accounting. The restricted fund reports the revenue, expenses and net assets related to specific donations. The general fund reports the revenue, expenses and net assets related to general donations and fundraising. The Foundation allocates 10% of restricted donations to the general fund to assist with administrative expenses.

### Revenue recognition

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

Unrealized gains or losses on marketable securities reflect the change in fair value.

### Financial instruments

#### Initial and subsequent measurement

The Foundation initially measures its financial assets and liabilities at fair value.

The Foundation subsequently measures all its financial assets and liabilities at cost or amortized cost except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in the fair value of these financial instruments are recognized in operations in the period incurred.

Financial assets measured at amortized cost on a straight-line basis include cash.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable.

#### Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in operations in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in operations over the life of the instrument using the straight-line method.

# MISSISSIPPI VALLEY CONSERVATION FOUNDATION

Notes to Financial Statements  
Year Ended December 31, 2020

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## Impairment

For financial assets measured at cost or amortized cost, the Foundation determines whether there are indications of possible impairment. When there is an indication of impairment, and the Foundation determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

## Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the periods covered.

## Volunteer services

The Foundation receives the services of volunteers, the cost of which cannot be reasonably estimated, therefore no representation of this revenue and expense has been included in these financial statements.

### 3. Restricted Net Assets

Restricted net assets represent donations held for a specific purpose and consist of:

	<u>2020</u>	<u>2019</u>
Carp River Conservation Area	\$ 31,219	38,474
Conservation Areas	1,909	824
Morris Island	1,780	1,780
Mill of Kintail	155	155
Night Sky Program	259	259
Purdon	3,165	3,165
Shoreline Restoration	23,109	23,109
Spring water awareness	2,250	2,250
Watershed watch	580	580
Wetlands protection	35,000	-
	<u>\$ 99,426</u>	<u>70,596</u>

### 4. Related Party Transactions

All funds raised by the Foundation are donated to the Mississippi Valley Conservation Authority to support the conservation and education programs of the Authority. The Foundation is subject to significant influence by the Authority due to Board membership and administrative support.

Donations to Mississippi Valley Conservation Authority:

	<u>2020</u>	<u>2019</u>
EcoTrek App development	\$ 7,254	\$ -
Education program	-	2,000
Wetland protection	10,000	-
	<u>\$ 17,254</u>	<u>2,000</u>

## MISSISSIPPI VALLEY CONSERVATION FOUNDATION

Notes to Financial Statements  
Year Ended December 31, 2020

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Amounts owing to Mississippi Valley Conservation Authority of \$ 19,725 (2019 - \$2,257) for donations and postage is included in accounts payable and accrued liabilities.

### 5. Financial Instruments

The Foundation is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The main risk is broken down below.

#### Liquidity risk:

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its accounts payable.

#### Market risk

Market risk is the risk that the fair value or future cash flows of the Foundation's financial instruments will fluctuate because of changes in market prices. The Foundation's investments expose it to this risk, which comprises other price risk.

#### Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Foundation is exposed to other price risk through its investments in listed shares for which the value fluctuates with the quoted market price.






# Final FS

Final Audit Report

2021-05-18

Created:	2021-05-18
By:	Glenn Street (gstreet@crossstreet.ca)
Status:	Signed
Transaction ID:	CBJCHBCAABAAYyKgGfIEx_-GWxPL_xaqHon4Yg05vJRw

## "Final FS" History

-  Document created by Glenn Street (gstreet@crossstreet.ca)  
2021-05-18 - 4:16:55 PM GMT- IP address: 158.106.115.210
-  Document emailed to Angela Millar (amillar@mvc.on.ca) for signature  
2021-05-18 - 4:18:07 PM GMT
-  Email viewed by Angela Millar (amillar@mvc.on.ca)  
2021-05-18 - 6:10:25 PM GMT- IP address: 206.172.48.226
-  Document e-signed by Angela Millar (amillar@mvc.on.ca)  
Signature Date: 2021-05-18 - 6:11:00 PM GMT - Time Source: server- IP address: 206.172.48.226
-  Agreement completed.  
2021-05-18 - 6:11:00 PM GMT