

**HAMILTON NATURALISTS' CLUB**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED APRIL 30, 2007**

|   | <u>2007</u>       | <u>2006</u>       |
|---|-------------------|-------------------|
| <b>6. INVESTMENTS</b>                           |                   |                   |
| TD Canada Trust Money Market Mutual Funds       | \$ 38,972         | \$ 33,787         |
| ING Direct Business Investment Savings Accounts | <u>111,893</u>    | <u>71,784</u>     |
|   | <u>\$ 150,865</u> | <u>\$ 105,571</u> |

Investments are stated at cost.  
The fair values are equal to their carrying amounts.  
The average interest rates earned during the year was approximately 3%.

**7. PROPERTY, PLANT AND EQUIPMENT  
(AT NOMINAL VALUES)**

|                                      |             |             |
|--------------------------------------|-------------|-------------|
| Spooky Hollow Sanctuary              | \$ 1        | \$ 1        |
| Spooky Hollow Sanctuary Addition     | 1           | 1           |
| Short Hills Wilderness Area          | 1           | 1           |
| Short Hills Wilderness Area Addition | 1           | 1           |
| Equipment                            | <u>1</u>    | <u>1</u>    |
|                                      | <u>\$ 5</u> | <u>\$ 5</u> |

**8. FUND BALANCES**

|                        |                   |                   |
|------------------------|-------------------|-------------------|
| General                | \$ 23,224         | \$ 19,928         |
| Conservation (Note 10) | 48,339            | 17,875            |
| Sanctuary/Land Trust   | 76,867            | 52,101            |
| Endowment              | 11,723            | 10,823            |
| Walkathon              | 3,490             | -                 |
| Wild Lands Acquisition | <u>22,832</u>     | <u>10,779</u>     |
|                        | <u>\$ 186,475</u> | <u>\$ 111,506</u> |

The Endowment fund represents life membership fees received by the Club. The Club transfers amounts out of the Endowment fund for general Club operations. For the current year the amount transferred was the interest earned by the capital in the Endowment Fund \$383 (\$246 in 2006).

These internally restricted fund balances are not available for any purpose, other than that specified by the fund name, without approval of the board of directors.

**9. AGREEMENTS WITH THE HALTON REGION CONSERVATION AUTHORITY (THRCA)**

On December 17, 2004 the Club entered into an agreement with THRCA to provide funding support for one half of the cost of THRCA's purchase of approximately 46 acres in West Flamborough adjacent to the Nicholson Property and known as the Cartwright Property. During the year expenditures of \$21,912 (\$26,847 in 2006) were made pursuant to this agreement.

The Club further agreed to provide additional funding of \$73,485, being one half of the mortgage taken back by the vendor of the property and owed by THRCA. This amount bears interest at 5% per annum. Payments may be made at any time and in any amount provided that the full amount is paid to THRCA by the due date December 17, 2007. The balance remaining is \$10,897, (\$35,897 in 2006).