

HAMILTON NATURALISTS' CLUB

FINANCIAL STATEMENTS

APRIL 30, 2009

HAMILTON NATURALISTS' CLUB

APRIL 30, 2009

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AUDITOR'S REPORT

To the Members:
Hamilton Naturalists' Club

I have audited the statement of financial position of Hamilton Naturalists' Club as at April 30, 2009 and the statements of revenue and expenditures and net assets and cash flows for the year then ended. These financial statements are the responsibility of the Club's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as explained in the following paragraph, I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 Club derives revenue from donations and fund-raising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of donation and fund-raising revenue was limited to the amounts recorded in the records of the Club, and I was not able to determine whether any adjustments might be necessary to donations and fund-raising revenue and net assets.

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the donations and fund-raising revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Club as at April 30, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Hamilton, Ontario
August 5, 2009

CHARTERED ACCOUNTANT
Licensed Public Accountant

**HAMILTON NATURALISTS' CLUB
STATEMENT OF FINANCIAL POSITION
AS AT APRIL 30, 2009**

	<u>2009</u>	<u>2008</u>
ASSETS		
CURRENT		
Cash	\$ 55,872	\$ 18,285
Investments (Note 6)	201,054	182,231
Receivables	5,404	7,828
Prepaid Expenses	<u>5,320</u>	<u>5,304</u>
	267,650	213,648
PROPERTY, PLANT AND EQUIPMENT		
(Note 7)	<u>6</u>	<u>6</u>
	<u>\$ 267,656</u>	<u>\$ 213,654</u>
LIABILITIES		
CURRENT		
Accounts Payable and Accrued Liabilities	\$ <u>5,628</u>	\$ <u>4,400</u>
NET ASSETS		
RESTRICTED NET ASSETS		
(Note 4)	5,000	5,000
UNRESTRICTED NET ASSETS		
	<u>257,028</u>	<u>204,254</u>
	<u>262,028</u>	<u>209,254</u>
	<u>\$ 267,656</u>	<u>\$ 213,654</u>
APPROVED ON BEHALF OF THE BOARD:		
_____ Director		
_____ Director		

The accompanying notes are an integral part of these financial statements

HAMILTON NATURALISTS' CLUB
STATEMENT OF REVENUE AND EXPENDITURES AND NET ASSETS
FOR THE YEAR ENDED APRIL 30, 2009

	<u>2009</u>	<u>2008</u>
REVENUE		
Membership Fees	\$ 12,866	\$ 13,430
Project Grants	88,996	77,937
Donations and Bequests	51,996	53,074
Fund-raising	17,042	23,540
Interest and Dividends	4,418	6,704
Endowment Funds	3,800	5,100
Other	<u>663</u>	<u>1,219</u>
	<u>179,781</u>	<u>181,004</u>
EXPENDITURES		
Project Costs	73,111	57,595
Office, Administration and Telephone	1,876	2,669
Bank Charges, Legal, Insurance, Audit	8,563	7,754
Sanctuary Equipment and Maintenance	-	898
General Meetings	2,124	2,455
Newsletter	7,196	7,102
Publicity	143	2,180
Cartwright Mortgage Interest	-	130
Cartwright Nature Sanctuary Purchase (Note 10)	-	10,897
90th Anniversary Event	1,172	-
Donations	1,848	11,000
Land Trust Operations	12,763	48,663
Field Events	1,019	350
Unrealized Loss on Investments	12,222	2,081
Other	<u>4,970</u>	<u>4,451</u>
	<u>127,007</u>	<u>158,225</u>
EXCESS OF REVENUE OVER EXPENDITURES FOR THE YEAR	52,774	22,779
NET ASSETS, BEGINNING OF THE YEAR	<u>209,254</u>	<u>186,475</u>
NET ASSETS, END OF THE YEAR (Note 8)	<u>\$ 262,028</u>	<u>\$ 209,254</u>

The accompanying notes are an integral part of these financial statements

**HAMILTON NATURALISTS' CLUB
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED APRIL 30, 2009**

	<u>2009</u>	<u>2008</u>
CASH PROVIDED (USED) BY:		
OPERATING ACTIVITIES		
Excess of Revenue Over Expenditures	\$ <u>52,774</u>	\$ <u>22,779</u>
CHANGES IN NON-CASH WORKING CAPITAL		
BALANCES		
Accounts Payable and Accrued Liabilities	1,229	(335)
Prepaid Expenses	(16)	(4,825)
Receivables	<u>2,423</u>	<u>(4,224)</u>
	<u>3,636</u>	<u>(9,384)</u>
	<u>56,410</u>	<u>13,395</u>
FINANCING ACTIVITIES		
	<u>-</u>	<u>-</u>
INVESTING ACTIVITIES		
Additions to Property, Plant and Equipment	-	1
Investments	<u>(18,823)</u>	<u>(31,366)</u>
	<u>(18,823)</u>	<u>(31,365)</u>
NET INCREASE (DECREASE) IN CASH	37,587	(17,970)
CASH, BEGINNING OF THE YEAR	<u>18,285</u>	<u>36,255</u>
CASH, END OF THE YEAR	\$ <u>55,872</u>	\$ <u>18,285</u>
SUPPLEMENTARY INFORMATION		
Interest paid on short-term debt	\$ <u>-</u>	\$ <u>-</u>
Interest paid on long-term debt	\$ <u>-</u>	\$ <u>130</u>
Income taxes paid	\$ <u>-</u>	\$ <u>-</u>

The accompanying notes are an integral part of these financial statements

**HAMILTON NATURALISTS' CLUB
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2009**

1. NATURE OF ORGANIZATION

The Hamilton Naturalists' Club is an incorporated non-profit organization dedicated to the study, appreciation and conservation of our wild plants and animals in Hamilton and surrounding regions. All work is freely done by Directors, Officers and Volunteers.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with generally accepted accounting principles in Canada. Outlined below are those policies considered particularly significant for the Company.

(a) Investments

The company follows the fair value method of accounting for its investments.

(b) Property, Plant and Equipment

Expenditures to acquire property, plant and equipment are charged to the statement of revenue and expenditures and surplus as incurred and the nominal amount of \$1 shown on the statement of financial position.

(c) Pledges

Donations pledged are not recorded in the financial statements until they are received.

(d) Donated Materials and Services

The value of donated materials and services is not recorded in the financial statements because of the difficulty in determining their fair value.

(e) Basis of Accounting

Revenue is recognized when received.

3. FINANCIAL INSTRUMENTS HELD FOR TRADING

Financial instruments held for trading consist of cash, investments, receivables, and accounts payable and accrued liabilities.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant credit risk exposure, interest rate risk exposure, price risk exposure, liquidity risk exposure or foreign currency risk exposure arising from these financial instruments.

The fair value of these financial instruments is equal to their carrying amounts.

4. RESTRICTED NET ASSETS

The Sanctuary fund includes \$5,000 (\$5,000 in 2008) which must be maintained by the Club at all times.

5. INCOME TAX STATUS

The Club is a registered charity and is exempt from income tax provided it continues to maintain its charitable status.

**HAMILTON NATURALISTS' CLUB
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2009**

	<u>2009</u>	<u>2008</u>
6. INVESTMENTS		
TD Canada Trust Money Market Mutual Funds	\$ 41,100	\$ 40,393
ING Direct Business Investment Savings Accounts	127,881	124,925
TD Waterhouse Broker's Account	<u>32,073</u>	<u>16,913</u>
	<u>\$ 201,054</u>	<u>\$ 182,231</u>

Investments are stated at fair market value.
Interest rates earned during the year varied from 1.5% to 2.6%.

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

Equipment	\$ 1	\$ 1
Short Hills Wilderness Area	1	1
Short Hills Wilderness Area Addition	1	1
Spooky Hollow Sanctuary	1	1
Spooky Hollow Sanctuary Addition	1	1
Thomas and Mary Young Sanctuary	<u>1</u>	<u>1</u>
	<u>\$ 6</u>	<u>\$ 6</u>

8. FUND BALANCES

Anita Dutka-Buchin Memorial Trust	\$ 24,852	\$ 16,913
Conservation	42,324	34,620
Endowment	11,765	11,765
General	28,254	27,864
Habitat Preservation	7,221	-
Sanctuary/Land Trust	115,945	91,569
Walkathon	3,809	6,756
Wild Lands Acquisition	<u>27,858</u>	<u>19,767</u>
	<u>\$ 262,028</u>	<u>\$ 209,254</u>

The Endowment fund represents life membership fees received by the Club. The Club transferred \$349 (\$400 in 2008) out of the Endowment fund for general Club operations, .

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

9. COMMITMENTS

The Club enters into contracts for services several of which have expired during the year. The following contracts were still in force at the end of the fiscal year:

- (a) Land's Inlet Nature Project Coordinator with Alan Ernest to August 31, 2009.
- (b) Land Trust Program Coordinator with Jen Baker to coordinate the Head-of-the-Lake Land Trust Program and related projects to August 1, 2009.

**HAMILTON NATURALISTS' CLUB
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2009**

10. AGREEMENTS WITH THE HALTON REGION CONSERVATION AUTHORITY (THRCA)

On December 17, 2004 the Club and THRCA entered into a Conservation Agreement regarding the Cartwright Property. The agreement ensures the protection, maintenance, restoration and enhancement of the natural features of the Lands and prevents any use of the Lands which will damage those natural features or prevent their restoration and enhancement.

The Club and THRCA have also signed a Management Agreement under which they will jointly manage and administer the Cartwright Property and the adjoining Nicholson Property which is also owned by THRCA.