

NORTHWEST INVASIVE PLANT COUNCIL

FINANCIAL STATEMENTS

December 31, 2009

AUDITORS' REPORT

To the Members of
Northwest Invasive Plant Council

We have audited the financial position of Northwest Invasive Plant Council as at December 31, 2009 and the statement of operations and surplus for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraphs, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 amount 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 not-for-profit organizations, the Association derives revenue from grants and sponsorships, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, we were unable to determine whether any adjustments might be necessary to revenue, excess expenditure over revenue and surplus.

In our opinion, except for the effect of adjustments, if any, had we been able to satisfy ourselves as to the completeness of revenue, these financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2009 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the British Columbia Society Act, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

DELOITTE & TOUCHE LLP

Deloitte & Touche LLP
Chartered Accountants

Prince George, B.C.
April 13, 2010

NORTHWEST INVASIVE PLANT COUNCIL
STATEMENT OF OPERATIONS AND SURPLUS
year ended December 31, 2009

| | 2 0 0 9 | 2 0 0 8 |
|--|------------------|------------------|
| OPERATIONS | | |
| Revenue - Schedule 1 | \$ 798,497 | \$ 838,934 |
| Expenditure - Schedule 1 | 619,862 | 600,271 |
| | <u>178,635</u> | <u>238,663</u> |
| MANAGEMENT | | |
| Revenue - Schedule 2 | 30,674 | 36,596 |
| Expenditure -Schedule 2 | 145,135 | 178,178 |
| | <u>(114,461)</u> | <u>(141,582)</u> |
| Gross margin | <u>64,174</u> | <u>97,081</u> |
| Administrative expenses - Schedule 3 | <u>50,842</u> | <u>80,844</u> |
| EXCESS REVENUE OVER EXPENDITURE | <u>13,332</u> | <u>16,237</u> |
| SURPLUS, BEGINNING OF YEAR | <u>24,117</u> | <u>7,880</u> |
| SURPLUS, END OF YEAR | <u>\$ 37,449</u> | <u>\$ 24,117</u> |

NORTHWEST INVASIVE PLANT COUNCIL
STATEMENT OF FINANCIAL POSITION
as at December 31, 2009

| | 2009 | 2008 |
|---------------------------------------|-------------------|-------------------|
| CURRENT ASSETS | | |
| Cash | \$ 48,033 | \$ 37,548 |
| Accounts receivable | 114,580 | 151,151 |
| Prepaid expenses and deferred charges | 1,087 | 251 |
| | <u>163,700</u> | 188,950 |
| EQUIPMENT (Note 3) | <u>1,783</u> | 2,229 |
| | <u>\$ 165,483</u> | <u>\$ 191,179</u> |
| CURRENT LIABILITY | | |
| Accounts payable and accrued charges | \$ 15,004 | \$ 23,358 |
| RESERVE FUNDS (Note 5) | <u>113,030</u> | 143,704 |
| | <u>128,034</u> | 167,062 |
| SURPLUS | <u>37,449</u> | 24,117 |
| | <u>\$ 165,483</u> | <u>\$ 191,179</u> |

ON BEHALF OF THE EXECUTIVE

Claire Watkins Director
[Signature] Director

NORTHWEST INVASIVE PLANT COUNCIL
CASH FLOW STATEMENT
year ended December 31, 2009

| | 2 0 0 9 | 2 0 0 8 |
|---|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Excess revenue over expenditure | \$ 13,332 | \$ 16,237 |
| Item not affecting cash | | |
| Amortization | 446 | 557 |
| | <u>13,778</u> | <u>16,794</u> |
| Changes in non-cash working capital | | |
| Decrease in accounts receivable | 36,571 | 13,667 |
| Increase in prepaid expenses | (836) | - |
| Decrease in accounts payable and accrued charges | (8,354) | (6,173) |
| Decrease in deferred revenue | - | (62,500) |
| | <u>41,159</u> | <u>(38,212)</u> |
| CASH FLOW FROM FINANCING ACTIVITY | | |
| Transfer from reserve funds | <u>(30,674)</u> | <u>(26,296)</u> |
| NET INCREASE (DECREASE) IN CASH | 10,485 | (64,508) |
| CASH, BEGINNING OF YEAR | <u>37,548</u> | <u>102,056</u> |
| CASH, END OF YEAR | <u>\$ 48,033</u> | <u>\$ 37,548</u> |

NORTHWEST INVASIVE PLANT COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2009

1. PURPOSE OF ASSOCIATION AND DESCRIPTION OF OPERATIONS

The Northwest Invasive Plant Council is registered under the British Columbia Society Act and is committed to coordinate invasive plant management in northwest BC.

2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles for not-for-profit organizations. The Association follows the fund method of fund accounting and includes the following significant accounting policies:

Contributions

The Association follows the fund method of accounting for contributions. Contributions are recognized in the period in which they are received by the fund, unless specifically identifiable with a future event in which case they are recorded as deferred revenue.

Equipment

Equipment is recorded at cost. Amortization is computed using the diminishing balance method at the following annual rate:

| | |
|------------------|-----|
| Office Equipment | 20% |
|------------------|-----|

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from the estimates.

Future accounting changes

The Accounting Standards Board is working to develop an exposure draft to address the direction and timing of transition from current standards. The Board has tentatively decided that the exposure draft will propose a free choice for Not-for-profit organizations not subject to public sector accounting standards.

This means the Council could choose between International Financial Reporting Standards or accounting standards for private enterprises with a modified section 4400 series.

In the interim, the Board has confirmed that the existing CICA Handbook will be maintained for use by the Not-for-profit sector until the new standards are approved.

3. EQUIPMENT

| | 2009 | | 2008 | |
|------------------|----------|-----------------------------|----------------|----------|
| | Cost | Accumulated Amortization | Net Book Value | |
| Office equipment | \$ 3,800 | \$ 2,017 | \$ 1,783 | \$ 2,229 |

NORTHWEST INVASIVE PLANT COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2009

4. INCOME TAXES

The Association is a not-for-profit organization registered under the Income Tax Act and, as such, is exempt from income taxes.

5. RESERVE FUNDS

The Council has appropriated surplus to create reserve funds necessary to meet planned activities.

| | 2009 | 2008 |
|--|-------------------|-------------------|
| Enhanced IP Management | \$ 50,000 | \$ 50,000 |
| Pine Pass IP Management | - | 10,000 |
| First Nations Assistant and Partnerships | 49,014 | 49,014 |
| Awareness Projects and Research | 14,016 | 34,690 |
| | <u>\$ 113,030</u> | <u>\$ 143,704</u> |

6. COMPARATIVE FIGURES

Certain prior year comparative figures in the financial statements were reclassified to conform to current year presentation.

NORTHWEST INVASIVE PLANT COUNCIL
 SCHEDULE OF OPERATING REVENUE AND EXPENDITURE
 year ended December 31, 2009

SCHEDULE 1

| | 2009 Budget | 2009 Actual | 2008 Actual |
|---|-------------------|-------------------|-------------------|
| Revenue | | | |
| Ministry of Transportation | \$ 350,000 | \$ 350,000 | \$ 251,161 |
| Ministry of Agriculture & Lands | 175,000 | 175,000 | 250,000 |
| Ministry of Forests and Range | 163,000 | 163,000 | 200,000 |
| Regional District Bulkley-Nechako | 30,000 | 30,000 | 19,096 |
| Invasive Plant Council | 20,000 | 20,732 | 2,100 |
| British Columbia Parks | - | 17,034 | - |
| British Columbia Transmission Corporation | 10,000 | 10,000 | 10,000 |
| Fort Fraser Regional District | 15,500 | 7,144 | 1,558 |
| Prince George Municipal Area | 5,000 | 5,000 | 5,000 |
| Town of Smithers | 4,000 | 4,085 | 6,996 |
| Peace River Regional District | - | 4,325 | - |
| Kinder Morgan Canada Inc. | 2,000 | 3,451 | 1,695 |
| District of Houston | 2,500 | 2,500 | 3,443 |
| Village of Valemount | 2,000 | 2,000 | 2,000 |
| Thomas Creek Mining Ltd. | 1,000 | 1,695 | - |
| Village of Telkwa | 3,000 | 1,031 | 210 |
| Village of Burns Lake | - | 1,000 | - |
| Carrier Lumber Ltd. | 2,000 | 500 | 2,059 |
| Canadian National Railway | 8,000 | - | 16,116 |
| Province of British Columbia | - | - | 67,500 |
| | <u>793,000</u> | <u>798,497</u> | <u>838,934</u> |
| Expenditure | | | |
| IPMA | | | |
| Burns Lake | 77,000 | 74,410 | 75,000 |
| Beril Hagen | - | - | 10,000 |
| Haida Gwaii | 48,200 | 47,968 | 44,812 |
| Houston | 57,350 | 57,350 | 45,008 |
| Prince George | 110,000 | 120,000 | 135,145 |
| Robson Valley | 85,000 | 82,587 | 93,928 |
| Stikine-Skeena | 107,000 | 95,885 | 77,018 |
| Vanderhoof | 105,209 | 92,247 | 91,689 |
| Materials and supplies | 1,000 | 11,973 | 1,264 |
| | <u>590,759</u> | <u>582,420</u> | <u>573,864</u> |
| Projects | | | |
| Fort Fraser | 5,250 | 1,867 | 2,625 |
| 50:50 weed control program | 12,000 | 7,550 | 8,326 |
| Laskek Bay Conservation Society | 3,850 | 3,850 | - |
| Prince George hot spots | - | 7,779 | - |
| Targeted grazing research | 6,000 | 4,153 | 15,456 |
| Terrace hot spots | - | 12,243 | - |
| | <u>27,100</u> | <u>37,442</u> | <u>26,407</u> |
| | <u>617,859</u> | <u>619,862</u> | <u>600,271</u> |
| Gross margin | <u>\$ 175,141</u> | <u>\$ 178,635</u> | <u>\$ 238,663</u> |

NORTHWEST INVASIVE PLANT COUNCIL
 SCHEDULE OF MANAGEMENT REVENUE AND EXPENDITURE
 year ended December 31, 2009

SCHEDULE 2

| | 2 0 0 9 | 2 0 0 9 | 2 0 0 8 |
|--|--------------|----------------|----------------|
| | Budget | Actual | Actual |
| Revenue | | | |
| District "C" Hotline | \$ - | \$ - | 300 |
| Ministry of Forests and Range | - | - | 10,000 |
| Reserve funds: First Nations Assistant | - | - | 10,986 |
| Reserve funds: Pine Pass IP Management | - | 10,000 | 10,000 |
| Reserve funds: Awareness Projects and Research | - | 20,674 | 5,310 |
| | - | 30,674 | 36,596 |
| Expenditure | | | |
| Bookkeeping | 3,200 | 3,429 | 3,770 |
| Data Management | 11,000 | 11,000 | - |
| First Nations Assistant | 15,000 | 10,812 | 10,986 |
| Program Assistants' Contracts | 19,700 | 19,643 | 31,964 |
| Program Management Contract | 100,250 | 100,251 | 113,465 |
| Promotion and Awareness Assistant Contract | - | - | 17,993 |
| | 149,150 | 145,135 | 178,178 |
| Gross margin | \$ (149,150) | \$ (114,461) | (141,582) |

NORTHWEST INVASIVE PLANT COUNCIL
SCHEDULE OF ADMINISTRATIVE EXPENSES
year ended December 31, 2009

SCHEDULE 3

| | 2 0 0 9 | 2 0 0 9 | 2 0 0 8 |
|---------------------------------|------------------|------------------|---------------|
| | Budget | Actual | Actual |
| Advertising and promotion | \$ 1,300 | \$ 1,176 | 14,841 |
| Amortization | - | 446 | 557 |
| Bank charges and interest | 510 | 691 | 981 |
| Board meeting expenses | 12,000 | 12,934 | 11,621 |
| Community projects | 2,650 | 2,520 | 19,995 |
| Education | 14,000 | 14,459 | 11,816 |
| Insurance, licences and permits | 3,125 | 2,654 | 807 |
| Professional fees | 6,000 | 8,400 | 3,007 |
| Supplies | 1,000 | 2,387 | 12,127 |
| Sundry | 500 | 1,386 | 91 |
| Telephone | 550 | 527 | 435 |
| Travel and meals | 3,000 | 3,262 | 4,566 |
| | <u>\$ 44,635</u> | <u>\$ 50,842</u> | <u>80,844</u> |