
Bruce Peninsula Biosphere Association

Financial Statements

December 31, 2024



RADE BARRINGTON
CHARTERED PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report

To the Directors of
Bruce Peninsula Biosphere Association

Qualified Opinion

We have audited the financial statements of Bruce Peninsula Biosphere Association, which comprise the statement of financial position as at December 31, 2024 and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many charitable organizations, the Organization derives revenue from donations, memberships, and fundraising and raffle activities, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any audit adjustments might be necessary to donations, memberships, fundraising and raffle, excess of revenue over expenses for the year, cash flow from operations for the years ended December 31, 2024 and 2023, and net assets as at December 31 for the the 2024 and 2023 years. The prior year audit opinion on the financial statements for the years ended December 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

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

Responsibilities of Management and Those Charged with Governance 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 organization, 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.

Auditors' Responsibility for the Audit of the Financial Statements

Our 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 included our 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 appropriated 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 disclosure 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 represents the underlying transactions and events in a manner that achieves fair presentation.

We 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 we identify during our audit.

Rade Barrington Professional Corporation

Markham, Ontario
May 29, 2025

Rade Barrington Professional Corporation
Authorized to practice public accounting by the Chartered
Professional Accountants of Ontario

Bruce Peninsula Biosphere Association

Statement of Financial Position

As at December 31, 2024

	2024	2023
Assets		
Current		
Cash	\$ 50,793	\$ 145,399
Short term investment	160,000	100,000
Accounts receivable (Note 3)	<u>24,297</u>	<u>30,515</u>
	235,090	275,914
Capital Assets (Note 4)	<u>625,160</u>	<u>632,738</u>
	<u>\$ 860,250</u>	<u>\$ 908,652</u>
Liabilities		
Current		
Amounts payable and accrued liabilities (Note 5)	\$ 26,237	\$ 26,858
Deferred grant revenue (Note 6)	<u>10,831</u>	<u>59,022</u>
	<u>37,068</u>	<u>85,880</u>
Net Assets		
Internally restricted (Note 7)	20,588	3,432
Invested in capital assets	625,160	632,738
Unrestricted	<u>177,434</u>	<u>186,602</u>
	<u>823,182</u>	<u>822,772</u>
	<u>\$ 860,250</u>	<u>\$ 908,652</u>

Approved on behalf of the board:

_____ Director

_____ Director

Bruce Peninsula Biosphere Association

Statement of Operations

For the year ended December 31, 2024

	2024	2023
Revenue		
Grants - Six Streams Project (Note 8)	\$ 112,872	\$ 84,460
Grants - Bayside Astronomy	14,631	-
Grants - Other programs (Note 8)	9,917	49,978
Grants - Eco Adventures	2,479	937
Grants - Wetland Restoration (Note 4)	-	50,000
Grants - Bioremediation	-	36,109
Eco Adventures	9,629	-
Gran Fondo (Note 9)	56,091	55,593
Fundraising and raffle	10,510	3,974
Donations	7,780	4,322
Memberships and interest	10,877	4,745
	<u>234,786</u>	<u>290,118</u>
Expenses		
Six Streams Project		
Salaries, benefits and contracts	37,168	43,876
Materials, services and supplies	80,202	40,584
Wetlands Restoration		
Salaries, benefits and contracts	-	21,272
Materials, services and supplies	7,502	32,842
Eco Adventures		
Salaries, benefits and contracts	4,807	386
Materials, services and supplies	5,486	7,392
Bayside Astronomy		
Salaries, benefits and contracts	16,668	-
Materials, services and supplies	2,355	-
Bioremediation		
Salaries, benefits and contracts	-	14,782
Materials, services and supplies	-	25,640
General and administrative		
Salaries, benefits and contracts	34,524	51,551
Non-recoverable HST	(4,041)	(3,380)
Accounting and legal	10,300	20,814
Consulting	15,286	-
Other	2,743	3,105
Website and communications	6,459	5,953
Insurance	2,215	3,173
Field expenses	6	9
Amortization	7,578	15,194
Lottery and fundraising	5,118	502
	<u>234,376</u>	<u>283,695</u>
Excess of revenue over expenses	\$ 410	\$ 6,423

Bruce Peninsula Biosphere Association

Statement of Changes in Net Assets

For the year ended December 31, 2024

	Unrestricted	Invested in Capital Assets	Internally Restricted (Note 8)	2024 Total	2023 Total
Net assets, beginning of the year	\$ 171,480	\$ 632,738	\$ 18,554	\$ 822,772	\$ 256,349
Excess of revenue over expenses for the year	\$ 410	\$ -	\$ -	\$ 410	\$ 6,423
Restricted contribution	\$ -	\$ -	\$ -	\$ -	\$ 560,000
Amortization	\$ 7,578	\$ (7,578)	\$ -	\$ -	\$ -
Transfer of Eco-Adventures excess (deficiency) of revenue over expenditures	\$ (2,034)	\$ -	\$ 2,034	\$ -	\$ -
Net assets, end of the year	\$ 177,434	\$ 625,160	\$ 20,588	\$ 823,182	\$ 822,772

Bruce Peninsula Biosphere Association

Statement of Cash Flows

For the year ended December 31, 2024

	2024	2023
Operating activities		
Excess of revenue over expenses for the year	\$ 410	\$ 6,423
Items not involving cash		
Deferred revenue recognized	(59,022)	(6,159)
Amortization of capital assets	<u>7,578</u>	<u>15,194</u>
	(51,034)	15,458
Changes in non-cash working capital balances		
Accounts receivable	6,218	82,272
Prepaid expenses	-	3,600
Accounts payable and accrued liabilities	(621)	(14,979)
Deferred revenues received	<u>10,831</u>	<u>59,022</u>
	<u>(34,606)</u>	<u>145,373</u>
Financing activity		
Short term investment purchased	(60,000)	(100,000)
Repayment of loan payable	<u>-</u>	<u>(30,000)</u>
	<u>(60,000)</u>	<u>(130,000)</u>
Investing activity		
Receipt of restricted contribution	-	560,000
Purchase of capital assets	<u>-</u>	<u>(610,667)</u>
	<u>-</u>	<u>(50,667)</u>
Change in cash during the year	(94,606)	(35,294)
Cash, beginning of year	<u>145,399</u>	<u>180,693</u>
Cash, end of year	\$ 50,793	\$ 145,399

Bruce Peninsula Biosphere Association

Notes to Financial Statements

December 31, 2024

1. Purpose of the Organization

Established in 2000, the Bruce Peninsula Biosphere Association is dedicated to implementing the concepts of UNESCO World Biosphere Reserves in the Northern part of the Niagara Biosphere Reserve. The Association is a registered charity under the Income Tax Act and, accordingly, is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

2. Significant Accounting Policies

Basis of accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

These financial statements have been prepared using the accrual basis of accounting. The accrual basis recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably determined and collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Donations, fundraising, raffle, memberships and interest are recognized when received.

Capital Assets

Capital assets are stated at cost less accumulated amortization. Expenditures for repairs and maintenance are expensed as incurred. Betterments that extend the useful life of the capital asset are capitalized. Amortization is provided over the estimated useful life of the assets, using straight-line basis. The useful life of the assets is based on management estimates. The following useful lives are used:

Equipment: 5 years

Computers: 3 years

Bruce Peninsula Biosphere Association

Notes to Financial Statements

December 31, 2024

2. Significant Accounting Policies cont'd

Allocation of expenses

The Association allocates certain expenses to projects and programs based on the nature of the cost. Direct project-specific expenses are charged directly to the applicable project or program. Salaries, benefits, and contract services are allocated based on the hourly rate and the number of hours worked on each project or program, as recorded by employees and contractors.

Management reviews and approves the allocation methodology annually to ensure that it reasonably reflects the effort and resources applied to specific projects and programs.

Pledges

Pledges to donate funds to the Association are not included in revenues until such time as the funds are received.

Contributed Services

Volunteers assist the Association in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Contributed Materials and Services

Contributed materials and services which are used in the normal course of the Association's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are charged to the financial instrument for those measured at amortized cost.

Bruce Peninsula Biosphere Association

Notes to Financial Statements

December 31, 2024

3. Accounts Receivable

There are no impairment allowances relating to accounts receivable.

	2024	2023
Grants and other		
Government of Ontario	\$ 18,750	\$ 10,000
Friends of Greenbelt	-	7,521
Other	4,017	2,510
HST Recoverable and other government remittances	<u>1,530</u>	<u>10,484</u>
Balance, end of year	<u>\$ 24,297</u>	<u>\$ 30,515</u>

4. Capital Assets

Capital assets consist of the following:

	2024		2023	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 610,667	\$ -	\$ 610,667	\$ 610,667
Equipment	100,013	86,450	13,563	20,675
Computers	<u>8,443</u>	<u>7,513</u>	<u>930</u>	<u>1,396</u>
	<u>\$ 719,123</u>	<u>\$ 93,963</u>	<u>\$ 625,160</u>	<u>\$ 632,738</u>

Bruce Peninsula Biosphere Association

Notes to Financial Statements

December 31, 2024

5. Accounts Payable and Accrued Liabilities

There are no government remittances included in accounts payable and accrued liabilities (2023 - \$NIL).

6. Deferred Revenue

	2024	2023
Lottery and fundraising	\$ 7,156	\$ -
Ministry of Environment - Six Streams	2,405	3,085
Eco Adventures Program	1,270	1,585
Ministry of Environment - Septic systems	-	41,920
Environment Canada - Ecoaction	-	6,457
Donations - Bayside Astronomy	-	4,811
Grey Bruce Community Foundation	-	1,164
	<u>-</u>	<u>1,164</u>
Balance, end of year	<u>\$ 10,831</u>	<u>\$ 59,022</u>

Bruce Peninsula Biosphere Association

Notes to Financial Statements

December 31, 2024

7. Internally Restricted Net Assets

The Internally Restricted Net Assets related to The Association's Eco Adventure program and have been internally restricted by the board to hedge the risk against the program not earning profit to disseminate to The Association's conservation and stewardship efforts. The Association sought grants to assist with the start up phase of the program, and have restricted any excess of revenue over expenses that the program generated to segregate funds appropriately.

	2024	2023
Balance, beginning of year	\$ 18,554	\$ 15,755
Excess (deficiency) of revenue over expenses for Eco Adventures	<u>2,034</u>	<u>2,799</u>
Balance, end of year	<u><u>\$ 20,588</u></u>	<u><u>\$ 18,554</u></u>

8. Government Grants

During the year, the Association received a provincial government grant towards the Six Streams Project in the amount of \$103,500 (2023 - \$371,000) that involves a number of other organizations. The Association acted as the intermediary for the funds and distributed \$42,500 (2023 - \$252,500) of this to these other organizations. \$56,250 (2023 - \$51,830) of this grant has been recognized as revenue under the Association's Six Streams Project and \$4,750 (2023 - \$24,750) has been recognized as revenue towards administration as per the grant requirements.

\$NIL (2023 - \$41,920) of the funds received have been recorded as deferred revenue (Note 6).

This project was completed in the current year, and all funds have been paid to the other organizations.

9. Gran Fondo

Gran Fondo includes net revenues of \$56,091 (2023 - \$47,637). The gross revenues were \$84,311 (2023 - \$73,104) including sponsorship and donation revenues and gross expenses were \$28,220 (2023 - \$25,467).

Bruce Peninsula Biosphere Association

Notes to Financial Statements

December 31, 2024

10. Financial Instruments and Risk Management

In accordance with section 3855, Financial Instruments - Recognition and Measurement, financial instruments are classified into one of the following five categories: held for trading, held to maturity, loans and receivables, available for sale, or other financial liabilities. The classification determines the accounting treatment of the instrument. The classification is determined when the financial instrument is initially recorded, based on the underlying purpose of the instrument.

The financial assets and financial liabilities of The Association are classified and measured as follows:

Financial Asset/ Liability	Category	Measurement
Cash	Available for sale	Fair value
Accounts receivable	Loans and receivables	Amortized cost
HST recoverable	Loans and receivables	Amortized cost
Amounts payable	Other financial liabilities	Amortized cost

Financial instruments measured at amortized cost are initially recognized at fair value and then subsequently at amortized cost with gains and losses recognized in the statement of operations in the period in which the gain or loss occurs. Gains and losses arising from changes in fair value of financial instruments classified as available for sale are recognized in the statement of changes in net assets until the financial asset is sold or otherwise derecognized. Upon sale or derecognition, the cumulative gain or loss previously recognized in the statement of changes in net assets is transferred to the statement of operations.

The fair value of a financial instrument is the estimated amount that the Organization would receive or pay to settle a financial asset or financial liability at the reporting date.

For HST recoverable and amounts payable, the fair values approximate their carrying value due to their short term maturity or capacity of prompt liquidation. The fair value of loan payable is not determinable and it is recorded at its carrying value.

The Organization's risk management policy is to reduce volatility in cash flow and earnings. The Board of Directors reviews the risk management policy on an annual basis. It is the Board's opinion that the Organization is not exposed to significant interest rate risk, credit risk or liquidity risk.

Bruce Peninsula Biosphere Association

Notes to Financial Statements

December 31, 2024

11. Subsequent Events

In fiscal 2025, The Association received approval for a \$358,300 grant from the Ontario Trillium Foundation, distributed over three years, to advance the Six Streams Project addressing water quality on the Bruce Peninsula this project focuses on improving water quality in Judges Crook into Barrow Bay, Stokes River into Stokes Bay, and Eastnor Swamp, a property owned by the Association. Activities will include drone footage capture (Year 1), annual water quality testing (Years 1–3), and a Year 1 assessment and prioritisation report to guide restoration efforts. Ongoing work includes riparian planting (Years 1–3), installation of a cattle waterer (Year 1), and potential channel or drainage work pending assessment findings. Community involvement will be integral, with local training and participation in monitoring and restoration efforts.

In fiscal 2025, the Association also received approval for funding through the Natural Infrastructure Fund for work towards the restoration of the Albemarle Spring Headwater, also operated under the Association's Six Stream Project. The restoration will include mature planting, robust fencing, a cattle watering system and education signage. The Association will be actively seeking community involvement throughout the duration of this project.