

KIYOOKA LAND TRUST FOUNDATION

Financial Statements

Year Ended May 31, 2023

KIYOOKA LAND TRUST FOUNDATION

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Year Ended May 31, 2023

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Kiyooka Land Trust Foundation

We have reviewed the accompanying financial statements of Kiyooka Land Trust Foundation (the foundation) that comprise the statement of financial position as at May 31, 2023, and the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 organizations (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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Kiyooka Land Trust Foundation as at May 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matter

The financial statements of Kiyooka Land Trust Foundation for the year ended May 31, 2022 were compiled and are presented for comparative purposes only.

King + Company

Edmonton, AB
November 25, 2023

CHARTERED PROFESSIONAL ACCOUNTANTS

KIYOOKA LAND TRUST FOUNDATION

Statement of Financial Position

As at May 31, 2023

	PROTECTED LANDS FUND	OPERATING FUND	2023 Total	2022 Total
ASSETS				
CURRENT				
Cash	\$ -	\$ 61,046	\$ 61,046	\$ 57,232
CAPITAL ASSETS (Note 3)	500,000	147,000	647,000	-
	<u>\$ 500,000</u>	<u>\$ 208,046</u>	<u>\$ 708,046</u>	<u>\$ 57,232</u>
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities	\$ -	\$ 3,247	\$ 3,247	\$ -
FUND BALANCES				
Invested in capital assets	500,000	147,000	647,000	-
Externally restricted (Note 4)	-	20,000	20,000	38,385
Unrestricted	-	37,799	37,799	18,847
	<u>500,000</u>	<u>204,799</u>	<u>704,799</u>	<u>57,232</u>
	<u>\$ 500,000</u>	<u>\$ 208,046</u>	<u>\$ 708,046</u>	<u>\$ 57,232</u>

ON BEHALF OF THE BOARD



Director



Director

KIYOOKA LAND TRUST FOUNDATION

Statement of Operations

Year Ended May 31, 2023

	PROTECTED LANDS FUND	OPERATING FUND	2023 TOTAL	2022 TOTAL
REVENUE				
PROPERTY				
Long term rentals	\$ -	\$ 12,800	\$ 12,800	\$ -
Short term rentals	-	3,796	3,796	-
	-	16,596	16,596	-
FUNDRAISING				
Donations	-	18,147	18,147	57,816
Donations in kind	4,125	-	4,125	5,400
Memberships	-	440	440	290
	4,125	18,587	22,712	63,506
	4,125	35,183	39,308	63,506
EXPENSES				
Professional fees	3,208	4,200	7,408	-
Donation in kind expense	4,125	-	4,125	5,399
Office	80	2,103	2,183	875
Insurance	-	771	771	-
	7,413	7,074	14,487	6,274
PROPERTY				
Utilities	-	5,685	5,685	-
Amortization	-	3,000	3,000	-
Insurance	-	2,500	2,500	-
Supplies and bank fees	-	972	972	-
	-	12,157	12,157	-
	7,413	19,231	26,644	6,274
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS				
	(3,288)	15,952	12,664	57,232
OTHER EXPENSES				
Contribution to Vancity Community Foundation	-	38,385	38,385	-
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES				
	\$ (3,288)	\$ (22,433)	\$ (25,721)	\$ 57,232

KIYOOKA LAND TRUST FOUNDATION
Statement of Changes in Fund Balances
Year Ended May 31, 2023

	Invested in Capital Assets	Externally Restricted	Unrestricted	2023	2022
FUND BALANCES - BEGINNING OF YEAR	\$ -	\$ 38,385	\$ 18,847	\$ 57,232	\$ -
Excess (deficiency) of revenue over expenses	(3,000)	(41,673)	18,952	(25,721)	57,232
Grant funding for purchase of capital assets	-	177,000	-	177,000	-
Externally restricted donations	-	496,288	-	496,288	-
Purchase of capital assets	650,000	(650,000)	-	-	-
FUND BALANCES - END OF YEAR	\$ 647,000	\$ 20,000	\$ 37,799	\$ 704,799	\$ 57,232

KIYOOKA LAND TRUST FOUNDATION**Statement of Cash Flows****Year Ended May 31, 2023**

	2023	2022
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ (25,721)	\$ 57,232
Item not affecting cash:		
Amortization of capital assets	3,000	-
	(22,721)	57,232
Change in non-cash working capital:		
Accounts payable and accrued liabilities	3,247	-
Cash flow from (used by) operating activities	(19,474)	57,232
INVESTING ACTIVITY		
Purchase of capital assets	(650,000)	-
FINANCING ACTIVITIES		
Grant funding for purchase of capital assets	177,000	-
Donations for purchase of capital assets	326,288	-
Externally restricted donations received	170,000	-
Cash flow from financing activities	673,288	-
INCREASE IN CASH	3,814	57,232
CASH - BEGINNING OF YEAR	57,232	-
CASH - END OF YEAR	\$ 61,046	\$ 57,232

KIYOOKA LAND TRUST FOUNDATION

Notes to Financial Statements

Year Ended May 31, 2023

NATURE OF OPERATIONS

Kiyooka Land Trust Foundation (KLTF) is a not-for-profit organization incorporated under the BC Societies Act on May 31, 2021. The foundation is a registered charitable organization and is exempt from income taxes under 149(1)(1) of the Canadian Income Tax Act, as long as it maintains charitable status.

The main purposes of KLTF include:

- the conservation and protection of Canada's environmental heritage for the benefit of the public by acquiring land for conservation purposes, which include preserving, protecting, and enhancing the flora, fauna, and the general ecological integrity of lands held in trust in the Robson Valley region and adjacent areas; and
- the advancement of education, increasing the public's understanding, and enhancing community awareness about the importance of supporting and maintaining the ecological integrity of natural areas in the Robson Valley region as valuable environmental and educational assets, by providing educational programs and materials such as natural and historical information, photographic documentation, workshops, public artistic performances, signage, self-guided tours, interpretive trails, and public demonstrations on environmental sustainability.

I. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Fund Accounting

Kiyooka Land Trust Foundation follows the restricted fund method of accounting for contributions.

The Protected Lands Fund accounts for the the assets, liabilities, revenues and expenses related to Kiyooka Land Trust Foundation's land held.

The Operating Fund accounts for the foundation's operational income and expenses. This fund reports unrestricted resources and restricted operating grants.

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KIYOOKA LAND TRUST FOUNDATION

Notes to Financial Statements

Year Ended May 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue Recognition

Kiyooka Land Trust Foundation follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Contributed Services

Contributed materials and services are recorded in the financial statements at fair value when fair value can be reasonably estimated. Because of the difficulty in determining the fair value of volunteer time, these services are not recognized in the financial statements.

Cash

Cash is comprised of cash held in financial institutions.

Capital Assets

Capital assets are stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Buildings	4% declining balance method
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The foundation regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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KIYOOKA LAND TRUST FOUNDATION

Notes to Financial Statements

Year Ended May 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial Instruments

Initial Measurement

The foundation initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the foundation is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If it does, the cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, the cost is determined using the consideration transferred or received by the foundation in the transaction.

Subsequent Measurement

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 fair value are recognized in earnings in the period incurred.

Financial assets measured at amortized cost using the straight-line method include cash. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Transaction Costs

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in earnings in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in earnings over the life of the instrument using the straight-line method.

Impairment

For financial assets measured at cost or amortized cost, the foundation determines whether there are indications of possible impairment. When there are, 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 earnings. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no 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 earnings.

2. FIRST TIME ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS

During the year the foundation adopted Canadian accounting standards for not-for-profit organizations (ASNPO). These financial statements are the first prepared in accordance with these standards. The adoption of ASNPO had no impact on net assets as at June 1, 2021 or operations or cash flows for the year ended May 31, 2022 as previously reported in accordance with pre-changeover Canadian generally accepted accounting principles.

KIYOOKA LAND TRUST FOUNDATION

Notes to Financial Statements

Year Ended May 31, 2023

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Land	\$ 500,000	\$ -	\$ 500,000	\$ -
Buildings	150,000	3,000	147,000	-
	<u>\$ 650,000</u>	<u>\$ 3,000</u>	<u>\$ 647,000</u>	<u>\$ -</u>

4. EXTERNALLY RESTRICTED FUND

The externally restricted fund represents amounts received by external donors restricted for specific purposes. At year end this fund is comprised of \$20,000 for the purpose of investing in a new roof for the building.

5. ENDOWMENT

During the 2023 fiscal year, Kiyooka Land Trust Foundation established a permanent endowment fund through the Vancity Community Foundation. The funds transferred into this Fund will be held by the Vancity Community Foundation as a permanent endowment fund. The intent and purpose of this fund is to provide maintenance funds for the lands held in trust.

The balance of these funds as of May 31, 2023 was \$38,913. The foundation may receive a payment annually of the net income from the endowment funds to support its mission.

6. RELATED PARTY TRANSACTIONS

During the year, the foundation entered into a transaction with members of the Board of Directors. This transaction consisted of the purchase of capital assets in the amount of \$650,000. As part of this transaction, the related parties donated a portion of the capital assets in an amount of \$443,000.

Donations received from related parties during the year totaled \$50,500. Of these amounts, \$17,212 were unrestricted and \$33,288 were externally restricted for the purchase of capital assets.

These transactions are in the normal course of operations and are measured at the exchange amount which is the amount of consideration established and agreed by the related parties.

KIYOOKA LAND TRUST FOUNDATION

Notes to Financial Statements

Year Ended May 31, 2023

7. FINANCIAL INSTRUMENTS

The foundation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the foundation's risk exposure and concentration as of May 31, 2023.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The foundation is exposed to this risk mainly in respect of its receipt of funds from its members and donors and accounts payable.

8. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.