

EDMONTON AND AREA LAND TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
AND
AUDITORS' REPORT



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AUDITORS' REPORT

To the Members of **Edmonton and Area Land Trust:**

We have audited the statement of financial position of **Edmonton and Area Land Trust** as at December 31, 2009 and the statements of changes in net assets, operations and cash flows for the year then ended. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, 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 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 Trust derives revenue from donations, 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 and we were not able to determine whether any adjustments might be necessary to this revenue, excess of revenue for the year and net assets at end of the year.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2009 and the results of its operations, changes in its net assets and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Edmonton, Alberta
April 6, 2010

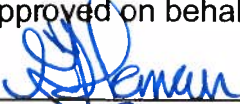
Yaremchuk + Annicchiarico LLP


Chartered Accountants

EDMONTON AND AREA LAND TRUST
STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2009

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash	\$ 23,747	\$169,002
Term deposits	130,000	-
Accounts receivable	734	1,235
Prepaid expenses	<u>1,978</u>	<u>1,041</u>
Total current assets	156,459	171,278
EQUIPMENT (Note 3)	<u>9,869</u>	<u>11,457</u>
TOTAL	<u>\$166,328</u>	<u>\$182,735</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 7,606	\$ 15,889
Deferred revenue (Note 4)	<u>2,098</u>	-
Total current liabilities	<u>9,704</u>	<u>15,889</u>
DEFERRED REVENUE (Note 4)	<u>8,974</u>	<u>9,650</u>
NET ASSETS:		
Invested in equipment	895	1,807
Unrestricted	<u>146,755</u>	<u>155,389</u>
Total net assets	<u>147,650</u>	<u>157,196</u>
TOTAL	<u>\$166,328</u>	<u>\$182,735</u>

Approved on behalf of the Board:


 _____ Director


 _____ Director

EDMONTON AND AREA LAND TRUST
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Invested in <u>Equipment</u>	<u>Unrestricted</u>	<u>2009</u> <u>Total</u>	2008 <u>Total</u>
Balance at beginning of the year	\$1,807	\$155,389	\$157,196	\$ 275,000
Excess of expenses for the year	<u>(912)</u>	<u>(8,634)</u>	<u>(9,546)</u>	<u>(117,804)</u>
Balance at end of the year	<u>\$ 895</u>	<u>\$146,755</u>	<u>\$147,650</u>	<u>\$ 157,196</u>

EDMONTON AND AREA LAND TRUST
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>2009</u>	<u>2008</u>
UNRESTRICTED REVENUE:		
Grants – Edmonton Community Foundation.....	\$112,500	\$ -
Donations	<u>8,829</u>	<u>2,715</u>
Total unrestricted revenue	<u>121,329</u>	<u>2,715</u>
RESTRICTED REVENUE:		
Alberta Real Estate Foundation grant (Note 4).....	12,902	10,000
Amortization of deferred revenue (Note 4).....	<u>676</u>	<u>350</u>
Total restricted revenue	<u>13,578</u>	<u>10,350</u>
Total revenue	<u>134,907</u>	<u>13,065</u>
EXPENSES:		
Advertising and promotion	12,902	6,946
Amortization.....	1,588	973
Board meetings	1,540	1,403
Communication.....	2,292	1,748
Conference fees	902	885
Goods and services tax	734	1,234
Insurance.....	659	-
Interest and penalties	559	1,837
Office	3,660	4,005
Professional fees	11,765	17,128
Printing	-	6,312
Salary and benefits.....	104,465	84,376
Travel.....	<u>3,387</u>	<u>4,022</u>
Total expenses	<u>144,453</u>	<u>130,869</u>
EXCESS OF EXPENSES FOR THE YEAR	\$ <u>(9,546)</u>	\$ <u>(117,804)</u>

EDMONTON AND AREA LAND TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>2009</u>	<u>2008</u>
OPERATING ACTIVITIES:		
Cash from operations:		
Excess of expenses for the year.....	\$ (9,546)	\$(117,804)
Item not involving cash for operations – amortization.....	<u>1,588</u>	<u>973</u>
	(7,958)	(116,831)
Increase (decrease) in non-cash working capital balances related to operations:		
Accounts receivable.....	501	(1,235)
Prepaid expenses.....	(937)	(1,041)
Accounts payable and accrued liabilities.....	(8,283)	15,889
Deferred revenue.....	<u>1,422</u>	<u>9,650</u>
Net cash used in operating activities	(15,255)	(93,568)
INVESTING ACTIVITY – purchase of equipment.....	<u>-</u>	<u>(12,430)</u>
DECREASE IN CASH FOR THE YEAR.....	(15,255)	(105,998)
CASH AT BEGINNING OF THE YEAR.....	<u>169,002</u>	<u>275,000</u>
CASH AT END OF THE YEAR.....	<u>\$153,747</u>	<u>\$ 169,002</u>
CASH REPRESENTED BY:		
Cash.....	\$ 23,747	\$169,002
Term deposits.....	<u>130,000</u>	<u>-</u>
	<u>\$153,747</u>	<u>\$169,002</u>

EDMONTON AND AREA LAND TRUST
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009

1. PURPOSE OF THE TRUST:

The Edmonton and Area Land Trust was incorporated on March 13, 2007 as a non-profit organization under the Alberta Companies Act.

The Edmonton and Area Land Trust is established for the charitable purposes of conserving and protecting Canada's environmental heritage by undertaking activities that conserve the natural ecosystems and cultural heritage landscapes in the lands comprising the City of Edmonton and the several counties that directly border on the City which activities shall focus on maintaining the biodiversity and ecological integrity of those lands for the public benefit.

The Edmonton and Area Land Trust is exempt from income taxes under the Income Tax Act as a registered charitable organization.

2. ACCOUNTING POLICIES:

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. Significant accounting policies are as follows:

Revenue recognition:

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

Amounts received from grants and donations which must be expended for specific purposes are recognized as revenue to the extent of the related expenses incurred. Unexpended funds are deferred to subsequent years and are either expended or refunded at that time.

Donated services:

The work of the Trust is dependent on the voluntary service of many individuals. Since these services are not normally purchased by the Trust and because of the difficulty of determining their fair value donated services are not recognized in these financial statements.

Term deposits:

Term deposits bear interest at 0.2% and 0.3% per annum. Term deposits are classified as held-to-maturity financial instruments and are valued at cost.

EDMONTON AND AREA LAND TRUST
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009

2. ACCOUNTING POLICIES (continued):

Equipment:

Equipment is stated at cost. Amortization is provided using the diminishing-balance method at the following annual rates:

Furniture and equipment	20%
Computer.....	55%
Website	7%

Cash and cash equivalents:

Cash and cash equivalents consist of balances with banks and short-term investments with maturities not exceeding 90 days.

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

3. EQUIPMENT:

The major categories of equipment and related accumulated amortization are as follows:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2009</u>	<u>2008</u>
Furniture and equipment	\$ 258	\$ 72	\$ 186	\$ 232
Computer	2,172	1,463	709	1,575
Website	<u>10,000</u>	<u>1,026</u>	<u>8,974</u>	<u>9,650</u>
Total.....	<u>\$12,430</u>	<u>\$2,561</u>	<u>\$9,869</u>	<u>\$11,457</u>

EDMONTON AND AREA LAND TRUST
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009

4. DEFERRED REVENUE:

Deferred revenue consists of the following:

	<u>Operations</u>	<u>Capital</u>	<u>Total</u>
Balance at beginning of the year	\$ -	\$9,650	\$ 9,650
Grant received - Alberta Real Estate Foundation	15,000	-	15,000
Expenses incurred	<u>12,902</u>	<u>676</u>	<u>13,578</u>
Balance at end of the year.....	<u>\$ 2,098</u>	<u>\$8,974</u>	<u>\$11,072</u>

Deferred revenue - capital is recognized as revenue on the same basis as the related equipment is amortized.

5. EXTERNALLY RESTRICTED INVESTMENTS:

The Edmonton and Area Land Trust is to be supported by income from endowment funds held by the Edmonton Community Foundation. The establishment of the endowment funds provides for the Edmonton Community Foundation to invest and administer the funds contributed on behalf of the Edmonton and Area Land Trust. The Edmonton and Area Land Trust may receive payment annually of the net income from the endowment fund to support its mission. The Edmonton Community Foundation holds two endowment funds as follows:

	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance at December 31, 2008....	\$2,414,681	\$13,141
Endowment fund donations	5,485	-
Investment gains (losses)	353,334	1,920
Fund expenses	<u>(35,432)</u>	<u>(193)</u>
Balance at December 31, 2009 ...	<u>\$2,738,068</u>	<u>\$14,868</u>

6. FINANCIAL INSTRUMENTS:

The Trust's financial instruments consist of cash, term deposits, accounts receivable, and accounts payable and accrued liabilities. It is management's opinion that the Trust is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The carrying values of the financial instruments approximates their fair values.

EDMONTON AND AREA LAND TRUST
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009

7. SUBSEQUENT EVENT:

Subsequent to the year end, Edmonton and Area Land Trust acquired a 50% interest in land donated through the Ecological Gifts Program of Environment Canada. The market value of the donated land is \$415,500. Edmonton and Area Land Trust's share of the value of the donated land is \$207,750.

8. COMPARATIVE FIGURES:

Certain of the prior year's figures, provided for the purposes of comparison, have been reclassified in accordance with the current year's presentation.