

Financial Statements of

**SWAN LAKE CHRISTMAS
HILL NATURE SANCTUARY
SOCIETY**

Year ended December 31, 2009
(Unaudited)



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REVIEW ENGAGEMENT REPORT

To the Members of Swan Lake Christmas Hill Nature Sanctuary Society

We have reviewed the statement of financial position of the Swan Lake Christmas Hill Nature Sanctuary Society as at December 31, 2009 and the statements of operations, changes in fund balances and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Society.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Victoria, Canada

March 16, 2010

SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY

Statement of Financial Position

December 31, 2009, with comparative figures for 2008

(Unaudited)

	Operating Fund	Capital Fund	Special Purpose Fund	2009 Total	2008 Total
Assets					
Cash and term deposits:					
Unrestricted	\$ 117,205	\$ -	\$ 46,436	\$ 163,641	\$ 139,181
Restricted - Public gaming funds	31,708	-	-	31,708	20,460
Accounts receivable	9,876	-	-	9,876	7,067
Prepaid expenses and deposits	613	-	-	613	3,392
Gift shop inventory	2,036	-	-	2,036	997
Capital assets (note 2)	-	129,071	-	129,071	123,905
	\$ 161,438	\$ 129,071	\$ 46,436	\$ 336,945	\$ 295,002
Liabilities					
Accounts payable and accrued liabilities	\$ 17,166	\$ -	\$ -	\$ 17,166	\$ 12,143
Deferred revenue:					
Public gaming funds	31,708	-	-	31,708	20,369
Victoria Foundation	5,400	-	-	5,400	-
Bridge project	5,000	-	-	5,000	-
Native plant workshops	2,400	-	-	2,400	-
Eradication of mosquitoes	5,000	-	-	5,000	-
Native design program	500	-	-	500	-
Biology Buddies and Home School Science programs	1,538	-	-	1,538	-
Others	1,000	-	-	1,000	-
Community tourism program grant	-	-	-	-	7,748
Horbaty Trail project	-	-	-	-	5,138
Birds and butterflies	-	-	-	-	2,440
	69,712	-	-	69,712	47,838
Fund Balances					
Invested in capital assets	-	129,071	-	129,071	123,905
Unrestricted	91,726	-	46,436	138,162	123,259
	91,726	129,071	46,436	267,233	247,164
	\$ 161,438	\$ 129,071	\$ 46,436	\$ 336,945	\$ 295,002

See accompanying notes to unaudited financial statements.

Approved by the Board:

_____ Director

_____ Director

SWAN LAKE CHRISTMAS HILL NATURE SANTUARY SOCIETY

Statement of Operations

Year ended December 31, 2009, with comparative figures for 2008
(Unaudited)

	Restricted Funds			2009 Total	2008 Total
	Operating Fund	Capital Fund	Special Purpose Fund		
Revenues:					
The Corporation of the District of Saanich	\$ 280,650	\$ -	\$ -	\$ 280,650	\$ 268,086
Victoria Natural History Society	4,000	-	-	4,000	5,893
Public gaming funds	27,506	-	-	27,506	18,501
Other grants	11,063	-	-	11,063	13,050
Society memberships	5,240	-	-	5,240	6,240
Donations	35,800	-	-	35,800	26,721
Facility rental	2,084	-	-	2,084	2,339
Native plant sales	70,244	-	-	70,244	37,917
Gift shop and grain sales	4,764	-	-	4,764	5,006
Interest	3,922	-	-	3,922	5,380
Property rent	36,491	-	-	36,491	24,519
School programs	33,775	-	-	33,775	27,142
Public programs	19,218	-	-	19,218	21,943
PST Commission	200	-	-	200	-
	534,957	-	-	534,957	462,737
Expenses:					
Site salaries	75,581	-	-	75,581	59,305
Site materials and services	46,804	-	-	46,804	32,415
Program salaries	86,998	-	-	86,998	84,817
School and public contracts	12,734	-	-	12,734	15,104
Program materials and services	8,527	-	-	8,527	8,880
Native plant sales	38,974	-	-	38,974	20,855
Rental property expenses	6,695	-	-	6,695	19,044
Other events	5,250	-	-	5,250	8,178
Administrative salaries and wages	140,952	-	-	140,952	139,645
Janitorial and security	12,855	-	-	12,855	16,631
Administrative materials and services	47,148	-	-	47,148	50,483
Amortization	-	32,370	-	32,370	29,912
	482,518	32,370	-	514,888	485,269
Excess (deficiency) of revenues over expenses	\$ 52,439	\$ (32,370)	\$ -	\$ 20,069	\$ (22,532)

See accompanying notes to unaudited financial statements.

SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY

Statement of Changes in Fund Balances

Year ended December 31, 2009, with comparative figures for 2008

(Unaudited)

	Operating Fund	Capital Fund	Special Purpose Fund	2009 Total	2008 Total
Fund balance, beginning of year	\$ 77,990	\$ 123,905	\$ 45,269	\$ 247,164	\$ 269,696
Excess (deficiency) of revenues over expenses	52,439	(32,370)	-	20,069	(22,532)
Interfund transfers re:					
Capital assets acquired from Operating Fund	(37,536)	37,536	-	-	-
Transfer of interest to Special Purpose Fund	(1,167)	-	1,167	-	-
Fund balance, end of year	\$ 91,726	\$ 129,071	\$ 46,436	\$ 267,233	\$ 247,164

See accompanying notes to unaudited financial statements.

SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY

Statement of Cash Flows

Year ended December 31, 2009, with comparative figures for 2008
(Unaudited)

	2009	2008
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	\$ 20,069	\$ (22,532)
Items not involving cash:		
Amortization	32,370	29,912
Changes in non-cash operating working capital (note 3)	20,805	(1,888)
	73,244	5,492
Investing activities:		
Purchase of equipment	(37,536)	(20,925)
Increase (decrease) in cash and term deposits	35,708	(15,433)
Cash and term deposits, beginning of year	159,641	175,074
Cash and term deposits, end of year	\$ 195,349	\$ 159,641
Comprised of:		
Unrestricted	\$ 163,641	\$ 139,181
Restricted – public gaming funds	31,708	20,460
	\$ 195,349	\$ 159,641

See accompanying notes to financial statements.

SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY

Notes to Financial Statements

Year ended December 31, 2009
(Unaudited)

The Swan Lake Christmas Hill Nature Sanctuary Society (the "Society") is incorporated under the Society Act (British Columbia). Its principal activity is the operation of the Nature House and wildlife sanctuary at Swan Lake on land owned by The Corporation of the District of Saanich. The Society operates on this land under an operating agreement with The Corporation of the District of Saanich. The Society is a charitable organization under the Income Tax Act and as such is exempt from income taxes and able to issue donation receipts for income tax purposes.

1. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

(a) Fund accounting:

The Society follows the restricted fund method of accounting for contributions.

The Operating Fund accounts for the Society's program delivery and administrative activities. This Fund reports unrestricted resources and restricted operating grants.

The Capital Fund reports the assets, liabilities, revenues and expenses related to the Society's capital assets.

The Special Purpose Fund reports resources contributed for special projects.

(b) Capital assets:

Capital assets are recorded at cost and are amortized over their estimated useful lives.

Amortization is provided on all capital assets on the straight-line method using annual rates of 10%, with the exception of the Nature House building which is amortized at 5% and computer software and hardware, which are amortized at 20%.

(c) Revenue recognition:

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

Restricted contributions related to operations are recognized as revenue of the Operating Fund in the year in which the related expense is incurred. All other restricted contributions are recognized as revenue of the appropriate fund.

SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY

Notes to Financial Statements

Year ended December 31, 2009
(Unaudited)

1. Significant accounting policies (continued):

(d) Financial instruments:

Cash and term deposits are classified as held for trading and carried at fair value with changes in fair value recognized in income. Accounts receivable and accounts payable and accrued liabilities are all initially recorded at fair value and then carried at amortized cost thereafter.

The Society complies with CICA Handbook 3861, "Financial Instruments – Disclosure and Presentation", for the presentation and disclosure of financial instruments and non-financial derivatives.

(e) 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 the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates.

2. Capital assets:

			2009	2008
	Cost	Accumulated amortization	Net	Net
Nature House	\$ 316,002	\$ 300,594	\$ 15,408	\$ 4,561
Building improvements - caretakers' residences	15,870	15,567	303	363
Displays	195,646	185,773	9,873	2,535
Computer hardware and software	29,266	28,769	497	989
Furniture and equipment	138,181	111,277	26,904	25,472
Trucks	10,887	8,241	2,646	3,307
Boardwalks	384,418	373,144	11,274	15,050
Trails and trail signs	238,433	180,699	57,734	63,205
Teaching shelter	27,633	27,632	1	2,712
Native plant garden	47,909	44,811	3,098	3,933
Fencing	8,085	6,752	1,333	1,778
	\$ 1,412,330	\$ 1,283,259	\$ 129,071	\$ 123,905

SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY

Notes to Financial Statements

Year ended December 31, 2009
(Unaudited)

3. Changes in non-cash operating working capital:

	2009	2008
Accounts receivable	\$ (2,809)	\$ (4,973)
Prepaid expenses and deposits	2,779	(2,144)
Gift shop inventory	(1,039)	(997)
Accounts payable and accrued liabilities	5,023	7,417
Deferred revenue	16,851	(1,191)
	<hr/>	<hr/>
	\$ 20,805	\$ (1,888)

4. Donated labour:

Volunteers from the community work to improve the Swan Lake Christmas Hill Nature Sanctuary. In 2009 the Society estimated that volunteers provided a total of 10,555 hours of donated labour. The value of this labour, although not recorded in these financial statements, is equivalent to approximately \$ 235,799 using a median wage rate of \$22.34 per hour as published in Statistics Canada Labour Force Survey.

5. Fair value of financial instruments:

The Society's cash and term deposits are carried at fair value. The fair value of the Society's accounts receivable, and accounts payable and accrued liabilities approximate their fair value due to the relatively short period of time to maturity of the instruments.

It is management's opinion that the Society is not exposed to significant interest, currency or credit risk arising from these financial instruments.

6. Capital management:

The Society defines capital to be its fund balances. The Trust receives its principal source of capital from grants awarded by the Corporation of the District of Saanich. The Society's objective when managing capital is to provide funding for its operations and maintain long term financial viability of the Society. The Society has complied with external restrictions with respect to grants received.