

**TOWN  
OF  
GANANOQUE**

*by Frontenac Arch Biosphere  
April 13, 2017*

**COMMUNITY GRANTS  
PROGRAM  
2016**

## **Gananoque Community Grants Program**

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Since 2002, the Town of Gananoque has received from the Ontario Lottery and Gaming Corporation 2.5% of the annual gross slot machine revenues of the 1000 Islands Charity Casino.

By resolution of the Gananoque Town Council, \$80,000 of these revenues has been earmarked to provide grants, donations, and contributions to special projects to support Gananoque organizations and individuals with financial assistance for projects and activities that will benefit the community and enhance the quality of life of Gananoque's citizens. A Community Granting Committee of Council (CGC) will evaluate applications for grants according to the criteria and procedures set out in these guidelines.

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### **Eligibility:**

To apply, the applicant must be one of the following:

- a not-for-profit (non-share) corporation (incorporated under the Corporations Act)
- an organized, unincorporated, non-profit organization
- an individual (person who permanently resides in Gananoque), if the request is for an activity that cannot be brought forward by a community organization who meets the application requirements

### **Applicant Requirements for Community Organizations:**

1. Organizations must operate under the authority of a volunteer board or executive committee (not less than 5 members).
2. Organizations must hold an annual general meeting, at which the board of directors or executive committee is elected from the general membership through a democratic election process.
3. Organizations must have a minimum of 75% of its membership or registrants comprised of Gananoque residents / ratepayers UNLESS there are insufficient residents to form a local organization and the addition of non-residents will enable Gananoque residents / ratepayers to participate in an otherwise unavailable activity.
4. An official grant application must be completed and submitted to the Community Grants Program, c/o Gananoque Town Hall, prior to the program deadlines.
5. Organizations must provide financial statements for the previous 2 years.
6. Organizations must provide an operating budget specifically outlining within it how grant dollars will be allocated. Within 60 days after the event or project is complete, the organization needs to report back to the Committee.
7. Grants must be used within one year (365 days) from receipt of funding, unless a specific exception has been approved by the Granting Committee at time of funding approval.

### **Restrictions:**

The following activities will not be eligible for funding:

- Flow through funding (where the intent is to redistribute funds to others)
- Religious or political activities
- Debt retirement, depreciation, retroactive or deficit funding
- Universities, Colleges, Schools, or Hospitals
- Invitational or discretionary travel

The Granting Committee will not normally approve multi-year grants.

Funding will not be provided for permanent staff positions.

Any requests which, if granted, would constitute a future cost burden on the Town will be re-directed (i.e., the applicant will be advised to seek funding directly from the Town as part of its normal budgeting process).

## **Gananoque Community Grants Program**

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### **Applicant Requirements**

1. An official grant application must be completed, and submitted to the Community Granting Committee (CGC) prior to the program deadlines outlined below.
2. The applicant must address how the application fits with the fund's purpose.
3. The applicant, if the applicant is an individual, must indicate why an organization cannot submit the application.
4. The applicant must complete an operating budget, expenditures and revenues specifically outlining how grant dollars will be utilized.
5. Grants must be used within one year (365 days) from receipt of funding.
6. The applicant must report back to the Committee on the success of their event/services, provide a financial accounting of revenues and expenditures for the event/services, and provide their last annual financial statements.

### **Notes:**

- Applicants applying for start-up funding must indicate when their first annual meeting will be held and are not expected to have financial statements for submission.
- Exceptions can be made upon request (must be submitted with the application).

### ***Community Granting Committee Application for Grants/Donations/Contributions to Special Projects Timelines***

#### **Application Deadlines – 4 per year**

- Round 1 - 4pm, Thursday, February 18, 2016
- Round 2 - 4pm, Thursday, April 14, 2016
- Round 3 - 4pm, Thursday, August 11, 2016
- Round 4 – 4pm, Thursday, September 22, 2016

#### **Committee Review Dates**

- Round 1 - Week of February 29, 2016
- Round 2 - Week of April 25, 2016
- Round 3 - Week of August 22, 2016
- Round 4 – Week of October 3, 2016

#### **Earliest Recommendation to Council**

- Round 1 - Tuesday, March 15, 2016
- Round 2 - Tuesday, May 17, 2016
- Round 3 - Tuesday, September 6, 2016
- Round 4 – Tuesday, October 18, 2016

Please note that the application deadlines will not change, however the Committee review and recommendation to Council of any application may require more assessment time than provided. A decision by Council not to fund at the level requested may be appealed to the Council by the applicant not later than 30 days from the date of notification of the decision of the Council to the applicant.

## Gananoque Community Grants Program

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### **A. FUNDING CATEGORIES:**

#### **A.1 COMMUNITY ORGANIZATION GRANTS**

(i) Projects:

Organizations may apply for one-time funding related to a specific project of significant benefit to the Town of Gananoque in terms of economic impact, community participation and education, and/or enhancement of the image of the Town.

(ii) Enhancement of Organizational Effectiveness and Service

This category will assist organizations with start-up funding or provide support / development funding for:

- internal training programs / personal development opportunities for members  
e.g.- Coaching clinics, certification programs, skills and techniques workshops, etc.
- equipment needs  
e.g.- Training equipment, program equipment
- travel for members who qualify to participate in provincial, national, or international activities relating to the work of the organization
- expansion of an organization's services

(iii) Community Event

This category provides funding for organizations planning to host events open to the Gananoque community (e.g. festivals, concerts, tournaments, conferences, workshops, etc.). The event should either be educational, celebratory (provincial championship, etc.), or provide an activity that would not occur in Gananoque without the applicant providing it.

#### **A.2 GRANTS TO INDIVIDUALS**

- An individual may apply for funding to assist with the development of a new initiative, project, or community event.

#### **A.3 TRAVEL SUPPORT GRANTS**

- Individuals may apply for funding to assist with travel costs associated with their qualification at a provincial, national, or international activity.

## **Gananoque Community Grants Program**

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### **A.4 FUNDING AVAILABLE:**

Suggested Maximum Grant Guideline for 2016                      \$20,000

**Please submit 1 copy of your application package (or fax or email) to:**

Town of Gananoque  
30 King Street East  
Gananoque, ON

**Fax:** 613-382-8587

**Email:** [mkirkby@gananoque.ca](mailto:mkirkby@gananoque.ca)

### **B. GRANTING REVIEW PROCESS:**

1. The CGC will review all applications and prioritize recommendations. The CGC may seek further information from the applicant and may also make related inquiries as it deems necessary.
2. The CGC will meet to consider applications as soon as possible after each deadline date. Recommendations will be forwarded to Town Council for approval.
3. Applicants will be notified regarding the status of their request after Council has met and funds will be distributed after Council approval has been received.
4. Applicants, who wish to appeal the decision made by Council, must notify the Recording Secretary, Community Granting Committee, c/o Gananoque Town Hall, of their intent within 30 days of receiving notice.
5. CGC (if applicable) will review appeals and Council (if applicable) will consider appeals.
6. Funds will be distributed by way of a Town of Gananoque cheque. Included with the cheque will be a letter noting the amount that was approved and a reminder that recipients must report to the Committee after their event or activity has taken place providing a financial statement for the activity and the most recent annual financial statement for their organization. This reporting is due no later than one year after the receipt of the funds. Successful applicants may be subject to a Town of Gananoque audit.
7. CGC will review the Community Grants process and evaluations received from Grant recipients. Any recommended adjustments will be forwarded to Council for consideration prior to the implementation of a 2017 funding program.

**Information Accessibility** - Information provided by the applicant and contained within the application form and any applicable attachments, is collected under the authority of the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990 and will be used solely by the Corporation of the Town of

## **Gananoque Community Grants Program**

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Gananoque to evaluate and recommend funding allocations. Applications will be reviewed in an open, to the public, meeting format of Committee and Council.

### **C. ORGANIZATION FINANCIAL INFORMATION**

**C1.** Please include in your application submission –

- a) Copies of your organization's financial statements for the past 2 years. Statements must include a Balance Sheet (all assets & liabilities including cash reserves) and an Income Statement.
- b) An operating budget for the current year. If you have included activities that are part of this grant request, please also note requested financial support from the Town of Gananoque as a potential revenue source.
- c) List of current board members.

**C2.** Has your organization received financial support from the Town of Gananoque in the past?

If so, please indicate amounts and purposes.

**Gananoque Community Grants Program**

**C3.** In addition to items noted in C1, please outline below your organization's sources of operating revenue. This will assist in our financial review of your organization.

<b>Revenue Sources (be specific)</b>	<b>Amount Received (previous financial yr.)</b>	<b>Current Budget (projected)</b>
Membership Fees	\$500	\$500
Program Fees / Fees for Service payroll service, stewardship council	\$750	0
Other (non-Town)Government Funding partnership funding	\$10,798	\$10,000
Other Grants 2017 trails project, other misc Trillium (for 3 Ont. biospheres 2016)	187,069	\$130,000
Fundraising	\$226	
Sponsorship		
Donations	1,501	\$1,500
Gifts In Kind		
Other (please specify) advertising	\$47,044	\$45,000
<b>Total Revenues:</b>	<b>\$247,388</b>	<b>\$187,000</b>

**Gananoque Community Grants Program**

**C4. TOWN OF GANANOQUE COMMUNITY GRANTS**

DATE: April 6, 2017

APPLICATION FOR: (Select One) GROUP PROJECT:  INDIVIDUAL:  TRAVEL:

ORGANIZATION'S NAME: Frontenac Arch Biosphere Network

ADDRESS & POSTAL CODE: 19 Reynolds Road, Lansdowne K0E 1L0

TELEPHONE: 613- 659-4824 EMAIL: info@fabn.ca FAX: 613- ---

PRESIDENT OR CEO: James Lolley TELEPHONE: 613- 217-9541

CONTACT PERSON: Don Ross TELEPHONE: 613- 659-4590

NUMBER TOWN MEMBERS: 1 NUMBER OTHER MEMBERS: 9

MEMBERSHIP FEE: 50 SERVICE/CLIENT FEE: 0

FUNDING AMOUNT REQUESTED: \$ 2,500

**Post Event/Service RESULTS**

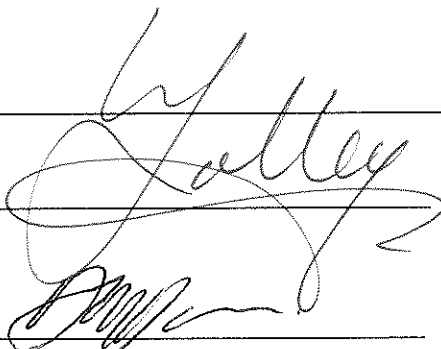
<p>1. DESCRIBE PROJECT. The Frontenac Arch Biosphere is revising all of its trails guides this year, and adding new routes to include cycling routes from/around Gananoque. A synopsis of the project which includes business development workshops is attached.</p>	<p>Resource for tourism, businesses in Gananoque</p>
<p>2. HOW WILL THE PROJECT ENHANCE THE TOWN OF GANANOQUE? This will assist the town to become a cycling hub/destination through guides and maps, and will work with accommodations and other businesses to become able to host cyclists and other explorer types.</p>	<p>Destination development, new clientele</p>
<p>3. PLEASE ATTACH THE BUDGET SHOWING ALL EXPENDITURES AND ALL SOURCES OF REVENUE REGARDING THIS PROJECT. (Include the budget for this project showing expenditures and all sources of cash revenue as well as Donations in kind.)</p>	<p>This is a regional project that links Gananoque into a regional trails destination development.</p>



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<p>4. WHAT ARE YOUR FUNDRAISING ACTIVITIES AND/OR SPONSORSHIP PLANS FOR THE UPCOMING YEAR?</p>	
<p>5. IF YOUR GRANT REQUEST IS APPROVED, HOW WILL YOU NOTIFY THE COMMUNITY ABOUT YOUR RECEIPT OF FUNDS? .</p>	
<p>6. HOW WILL YOU BE AFFECTED IF THE GRANT IS NOT APPROVED OR IF A REDUCED AMOUNT IS GRANTED?</p>	
<p>7. HOW WILL YOU EVALUATE AND MEASURE THE SUCCESS OF YOUR PROPOSAL?</p>	
<p>8. ADDITIONAL INFORMATION (Please attach any relevant information)</p>	

PRES/CEO SIGNATURE: \_\_\_\_\_



CONTACT SIGNATURE: \_\_\_\_\_

*\* All grant recipients are required to prepare a final report on how the grant monies were expended, and the level of success of their project – see section C of the Community Grant Policy.*

**Gananoque Community Grants Program**

**C5.\* Proposal Budget**

Please note the following:

- If your request is for equipment or facility upgrades, a written quote (estimate) from a supplier or contractor is required. Please attach to your application.
- If your request is for a facility upgrade to a site you do not own, please include a letter permitting this work to be done (if funding is approved) from the facility owner.

Should full financial support not be recommended for your proposal, it will be helpful to know which items you view as the most critical part of your request. Please complete the priority ranking section in the chart below for this purpose (1 = highest priority/most needed).

Expected Costs Description	\$ Amount	Priority Ranking	Expected Funding Sources	\$ Amount	Confirmed	Requested
Business Project Manager	\$20,000	1	Frontenac Arch Biosphere	\$7,000	x	
Technical (GIS/ IT) manager	\$20,000	1	EODP	\$20,000	x	
writer	\$15,000	1	Ontario ministries	\$30,000		x
Speakers, business panel workshop	\$8,000	1	Leeds & Thousand Islands	\$20,000		
local travel for research	\$3,000	1	City of Kingston	\$6,500	x	
coding, publishing, distribution	\$10,000	1	County of Frontenac	\$2,500	x	
infrastructure builds	\$6,000	1	Brockville	\$2,500	x	
project administration, accounting	\$10,000	1				
Sub-Total:	\$91,000		Sub-Total:	\$88,500		

Funding Request: \$ 2,500

**In-Kind Contributions** (donation of space, materials, etc.)

Contribution	Estimated \$ Value	Donor	Confirmed	Requested
office space, GIS Computer, licences	\$12,000	Frontenac Arch Biosphere	x	
trails knowledge, input	\$ 3,000	Biosphere Trails Council, Volunteers	x	
Total:				

**FABN Board of Dir 2016/2017**

Name	Position	Address	City/Town	Postal Code	Phone	E-mail	Organization
Gary Clarke	Director	Box 159	Merrickville	K0G 1N0	613-269-4625	Gclarke@Aquilonconsult.ca	At large.
Ben Chabot	Advisor	Box 11 1090 Salmon Lake Rd.	Sydenham	K0H 2T0	613-376-3489	ben.chabot@ontario.ca	Frontenac Provincial Park
Helen Anne Hudson	Director	16 King Street West	Lyn		613-659-3372	ahudson@burnbraefarms.co	At Large
James Lolley	Chair	381 Gananogue Lake Rd.	Gananogue	K7G 2V4	613-382-9541	<a href="mailto:james@fabn.ca">james@fabn.ca</a>	At large
John Macleod	Director	120 Cross Cemetery Rd.	Lansdowne	K0E 1L0	613-382-7381	jmacleod2@xplomet.com	Frontenac Arch Biosphere Foundation
Bill Ewing	Secretary/Treasurer	178 Hartley Street	Brookville	K6V 3N6	613-704-1131	<a href="mailto:bill@fabn.ca">bill@fabn.ca</a>	At large.
Gord Rodgers	Frontenac Stewardship Foundation	1141 Wood Duck Lane	Hartington	K0H 1W0	613-374-3521	gordrodgers@xplomet.com	Frontenac Stewardship Foundation
Don Ross	Vice-Chair	32 Stratford Lane	Lansdowne	K0E 1L0	613-659-4590	dmross@1000island.net	At large
Ann Marie Newsome	Director	933 Foster Bay	Athens	K0H 1R0	613-924-9366	newsomeannmarie@gmail.co	At Large
Martin Streit	Director	51 Heakes Lane	Kingston	K7M 9B1	613-298-0821	martin.streit@ontario.ca	At large
Jennifer Tarini	Advisor	RR 1	Morrisburg	K0X 1X0	613-543-3704 ext. 2407	<a href="mailto:jennifer.tarini@parks.on.ca">jennifer.tarini@parks.on.ca</a>	St. Lawrence Parks Commission

**FABN Staff**

Name	Position	Address	City/Town	Postal Code	Phone	E-mail
Hillary Hone	GIS Technician	344 First Ave	Brookville	K6V 3C1	613-340-8292	<a href="mailto:hillary_hone@gmail.com">hillary_hone@gmail.com</a>

Ellie Bennett Project Manager 100 Hartley Ave Brookville K6V 3N6 613-213-3069 [ellie@fabn.ca](mailto:ellie@fabn.ca)

# DRAFT - Subject to Change

## **Frontenac Arch Biosphere Network**

**Financial Statements**  
For the year ended December 31, 2016

# DRAFT - Subject to Change

**Frontenac Arch Biosphere Network  
Financial Statements  
For the year ended December 31, 2016**

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## Independent Auditors' Report

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**To the Members of  
Frontenac Arch Biosphere Network**

### *Report on the Financial Statements*

We have audited the accompanying financial statements of Frontenac Arch Biosphere Network, which comprise the statement of financial position as at December 31, 2016 and December 31, 2015 and the statements of changes in net assets, operations and cash flows for the years ended December 31, 2016 and December 31, 2015 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, 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Frontenac Arch Biosphere Network as at December 31, 2016 and December 31, 2015 and its financial performance and its cash flows for the years ended December 31, 2016 and December 31, 2015 in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants  
Licensed Public Accountants

Kingston, Ontario  
April 19, 2017

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## Frontenac Arch Biosphere Network Statement of Financial Position

December 31	2016	2015
<b>Assets</b>		
<b>Current</b>		
Cash and bank (Note 1)	\$ 60,918	\$ 62,296
Accounts receivable (Note 2)	25,259	8,969
Prepaid expense	311	449
	<u>\$ 86,488</u>	<u>\$ 71,714</u>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 3)	\$ 6,881	\$ 7,759
Deferred revenue (Note 4)	33,805	31,084
	<u>40,686</u>	<u>38,843</u>
<b>Net Assets</b>		
Unrestricted	<u>45,802</u>	<u>32,871</u>
	<u>\$ 86,488</u>	<u>\$ 71,714</u>

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

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## Frontenac Arch Biosphere Network Statement of Changes in Net Assets

<b>For the year ended December 31</b>	<b>2016</b>	<b>2015</b>
<b>Net assets, beginning of year</b>	<b>\$ 32,871</b>	<b>\$ 51,269</b>
<b>Excess of revenue over expenditures (expenditures over revenue) for the year</b>	<b>12,931</b>	<b>(18,398)</b>
<b>Net assets, end of year</b>	<b>\$ 45,802</b>	<b>\$ 32,871</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.



# DRAFT - Subject to Change

## Frontenac Arch Biosphere Network Statement of Operations

<b>For the year ended December 31</b>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>		
Donations	\$ 1,501	\$ 5,723
Fundraising	-	1,385
Grants (Schedule 1)	187,069	162,287
JCP cost recovery	-	7,704
Memberships and advertising	47,044	26,680
Other	226	316
Partner funding	10,798	15,863
Services - payroll and core	750	34,268
	<b>247,388</b>	<b>254,226</b>
<b>Expenditures</b>		
Advertising and promotion	30,751	14,714
Bad debts	1,095	3,550
Fees and dues	1,664	1,225
Insurance	2,246	1,933
Interest and bank charges	559	464
Office	5,074	2,094
Partner services	101,320	152,072
Professional fees	13,542	13,098
Repairs and maintenance	21,027	1,509
Salaries and benefits	44,513	60,589
Supplies and materials	100	1,965
Telephone	6,152	6,659
Travel	1,419	3,166
Training	-	2,619
Utilities	4,995	6,967
	<b>234,457</b>	<b>272,624</b>
<b>Excess of revenue over expenditures (expenditures over revenue) for the year</b>	<b>\$ 12,931</b>	<b>\$ (18,398)</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

# DRAFT - Subject to Change

## Frontenac Arch Biosphere Network Statement of Cash Flows

<b>For the year ended December 31</b>	<b>2016</b>	<b>2015</b>
<b>Cash flows from operating activities</b>		
Excess of revenue over expenditures (expenditures over revenue) for the year	\$ 12,931	\$ (18,398)
Changes in non-cash working capital balances		
Accounts receivable	(16,290)	40,633
Prepaid expenses	138	(449)
Accounts payable and accrued liabilities	(878)	(29,401)
Deferred revenue	2,721	23,810
<b>(Decrease) increase in cash and cash equivalents during the year</b>	<b>(1,378)</b>	<b>16,195</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>62,296</b>	<b>46,101</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 60,918</b>	<b>\$ 62,296</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

# DRAFT - Subject to Change

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## Frontenac Arch Biosphere Network Summary of Significant Accounting Policies

**December 31, 2016**

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<b>Nature of Business</b>	Frontenac Arch Biosphere Network (the "organization") is a non-profit organization, incorporated without share capital under the laws of Ontario and is exempt from income tax under Section 149(1)(l) of the Income Tax Act. The organization's objectives are to encourage a more integrated and sustainable approach to human and economic development in the region and to promote sustainable development in the Biosphere for the current and future benefit of residents and visitors.
<b>Basis of Accounting</b>	These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.
<b>Revenue Recognition</b>	<p>The organization follows the deferral method of accounting for contributions.</p> <p>Restricted contributions and grants are recognized as revenue in the year in which the related expenses are incurred.</p> <p>Unrestricted contributions, fees and other revenue are recognized as revenue in the year received or receivable if the amount can be reasonably estimated and collections reasonably assured.</p>
<b>Cash and Cash Equivalents</b>	Cash and cash equivalents consists of cash on hand and on deposit with a Canadian financial institution.
<b>Donated Assets, Materials and Services</b>	Volunteers contribute a substantial number of hours each year to assist the organization in carrying out its activities. Because of the difficulty of determining the fair value, contributions of such services are not recognized in the financial statements.
<b>Capital Assets</b>	Capital assets are expensed in the year of purchase. The amount of capital assets expensed in the current year was \$27,089 (2015 - \$810).

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## Frontenac Arch Biosphere Network Summary of Significant Accounting Policies

**December 31, 2016**

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### **Use of Estimates**

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of accounts receivables and accounts payables at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Estimates have been made by management within these financial statements primarily in relation to accounts receivables and accounts payable and accrued liabilities.

These estimates and assumptions are reviewed periodically and as adjustments become necessary they are reported in the periods in which they become known.

### **Foreign Currency Translation**

Foreign currency accounts are translated into Canadian dollars as follows:

At the transaction date, each asset, liability, revenue and expense is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in income in the current period except for the foreign currency gains and losses on long-term monetary items which are deferred and amortized over the remaining terms of the related items.

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## Frontenac Arch Biosphere Network Notes to Financial Statements

**December 31, 2016**

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### 1. Cash and Bank

The organization's bank accounts are held at one chartered bank. The bank accounts earn trivial amounts of interest.

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### 2. Accounts Receivable

	<u>2016</u>	<u>2015</u>
Trade	\$ 24,150	\$ 4,691
GST/HST receivable	1,109	4,278
	<u>\$ 25,259</u>	<u>\$ 8,969</u>

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### 3. Accounts Payable and Accrued Liabilities

	<u>2016</u>	<u>2015</u>
Trade	\$ 1,881	\$ 741
Accrued liabilities	5,000	5,002
Wages payable	-	428
Payroll withholding taxes	-	954
WSIB payable	-	634
	<u>\$ 6,881</u>	<u>\$ 7,759</u>

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### 4. Deferred Revenue

	<u>2016</u>	<u>2015</u>
Balance, beginning of the year	\$ 31,084	\$ 7,275
Amounts deferred during the year	33,805	31,084
Less: Amounts recognized as revenue during the year	<u>(31,084)</u>	<u>(7,275)</u>
Balance, end of the year	<u>\$ 33,805</u>	<u>\$ 31,084</u>

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## Frontenac Arch Biosphere Network Notes to Financial Statements

**December 31, 2016**

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### 5. Core Funds Available for Use

	<u>2016</u>	<u>2015</u>
Cash and bank	\$ 60,918	\$ 62,296
Accounts payable and accrued liabilities	(6,881)	(7,759)
Deferred revenue	<u>(33,805)</u>	<u>(31,084)</u>
Core funds available for use as at December 31	<u>\$ 20,232</u>	<u>\$ 23,453</u>

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### 6. Economic Dependence

The organization is very dependent on annual grant funding from various levels of government and other local organizations to sustain its operations. If grant funding was unattainable in any given year, it would greatly impact the operations of the organization and its ability to deliver on its objectives.

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### 7. Financial Instruments

Financial instruments are financial assets or liabilities of the organization where, in general, the organization has the right to receive cash or another financial asset from another party or the organization has the obligation to pay another party cash or other financial assets.

Financial instruments consist of cash and bank, accounts receivable and accounts payable and accrued liabilities.

The organization initially recognized its financial instruments at fair value and subsequently measure them at amortized cost.

Financial assets measured at cost or amortized cost are tested for impairment at the end of each year and the amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement and the amount of the reversal is recognized in net income. The reversal may be recorded provided it is no greater than the amount that had been previously reported as a reduction in the asset and it does not exceed original cost.

# DRAFT - Subject to Change

## Frontenac Arch Biosphere Network Schedule of Grant Revenue

<b>For the year ended December 31</b>	<b>2016</b>	<b>2015</b>
Ontario Trillium Foundation	\$ 125,675	\$ 115,889
St. Lawrence Parks Commission	25,000	-
Thousand Islands Community Development Corporation	10,000	-
Government of Canada	7,095	-
Township of Leeds and the Thousand Islands	5,905	-
Ministry of Tourism, Culture and Sport	5,750	-
Coalition of Canadian Trails Organizations	3,300	35,626
Environment Canada	2,880	9,110
City of Brockville	1,000	-
Ministry of Training, Colleges and Universities	464	-
Frontenac Community Futures Development Corporation	-	1,662
	<b>\$ 187,069</b>	<b>\$ 162,287</b>

**Frontenac Arch Biosphere  
Network**

**Financial Statements  
For the year ended December 31, 2015**



**Frontenac Arch Biosphere Network  
Financial Statements  
For the year ended December 31, 2015**

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## Independent Auditors' Report

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### To the Members of Frontenac Arch Biosphere Network

#### *Report on the Financial Statements*

We have audited the accompanying financial statements of Frontenac Arch Biosphere Network, which comprise the statement of financial position as at December 31, 2015 and December 31, 2014 and the statements of changes in net assets, operations and cash flows for the years ended December 31, 2015 and December 31, 2014 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, 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.

#### *Auditor's Responsibility*

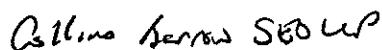
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2015 and December 31, 2014 and its financial performance and its cash flows for the years ended December 31, 2015 and December 31, 2014 in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants  
Licensed Public AccountantsKingston, Ontario  
March 24, 2016

**Frontenac Arch Biosphere Network  
Statement of Financial Position**

<b>December 31</b>	<b>2015</b>	<b>2014</b>
		(restated) (Note 4)
 <b>Assets</b>		
<b>Current</b>		
Cash and bank (Note 1)	\$ 62,296	\$ 46,101
Accounts receivable (Note 2)	8,969	49,602
Prepaid expense	449	-
	<b>\$ 71,714</b>	<b>\$ 95,703</b>
 <b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 3)	\$ 7,759	\$ 37,160
Deferred revenue	31,084	7,274
	<b>38,843</b>	<b>44,434</b>
 <b>Net Assets</b>		
Unrestricted	<b>32,871</b>	<b>51,269</b>
	<b>\$ 71,714</b>	<b>\$ 95,703</b>

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

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## Frontenac Arch Biosphere Network Statement of Changes in Net Assets

For the year ended December 31	2015	2014 (restated) (Note 4)
Net assets, beginning of year as previously stated	\$ 35,076	\$ 61,293
Prior period adjustment (Note 4)	16,193	-
Net assets, beginning of year restated	51,269	61,293
Excess of expenditures over revenue for the year	(18,398)	(10,024)
Net assets, end of year	\$ 32,871	\$ 51,269

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

## Frontenac Arch Biosphere Network Statement of Operations

For the year ended December 31	2015	2014 (restated) (Note 4)
<b>Revenue</b>		
Donations	\$ 5,723	\$ 9,731
Fundraising	1,385	-
Grants	162,287	97,786
JCP cost recovery	7,704	47,914
Memberships	26,680	36,048
Other	316	1,045
Partner funding	15,863	13,150
Services - payroll and core	34,268	109,698
	<u>254,226</u>	<u>315,372</u>
<b>Expenditures</b>		
Advertising and promotion	14,714	20,955
Bad debts	3,550	150
Fees and dues	1,225	125
Insurance	1,933	2,062
Interest and bank charges	464	902
Office	2,094	5,330
Partner services	152,072	58,097
Professional fees	13,098	22,510
Repairs and maintenance	1,509	2,382
Salaries and benefits	60,589	150,358
Supplies and materials	1,965	35,942
Telephone	6,659	6,940
Travel	3,166	8,403
Training	2,619	1,559
Utilities	6,967	9,681
	<u>272,624</u>	<u>325,396</u>
<b>Excess of expenditures over revenue for the year</b>	<b>\$ (18,398)</b>	<b>\$ (10,024)</b>

## Frontenac Arch Biosphere Network Statement of Cash Flows

<b>For the year ended December 31</b>	<b>2015</b>	<b>2014</b> (restated) (Note 4)
<b>Cash flows from operating activities</b>		
Excess of expenditures over revenue for the year	\$ (18,398)	\$ (10,024)
Changes in non-cash working capital balances		
Accounts receivable	40,633	24,904
Prepaid expenses	(449)	-
Accounts payable and accrued liabilities	(29,401)	27,581
Deferred revenue	23,810	7,274
<b>Increase in cash and cash equivalents during the year</b>	<b>16,195</b>	<b>49,735</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>46,101</b>	<b>(3,634)</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 62,296</b>	<b>\$ 46,101</b>
<b>Represented by:</b>		
Cash and bank	\$ 62,296	\$ 46,101

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## Frontenac Arch Biosphere Network Summary of Significant Accounting Policies

**December 31, 2015**

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<b>Nature of Business</b>	Frontenac Arch Biosphere Network is a non-profit organization, incorporated without share capital under the laws of Ontario and is exempt from income tax under Section 149(1)(l) of the Income Tax Act. The organization's objectives are to encourage a more integrated and sustainable approach to human and economic development in the region and to promote sustainable development in the Biosphere for the current and future benefit of residents and visitors.
<b>Basis of Accounting</b>	These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.
<b>Revenue Recognition</b>	<p>The organization follows the deferral method of accounting for contributions.</p> <p>Restricted contributions and grants are recognized as revenue in the year in which the related expenses are incurred.</p> <p>Unrestricted contributions, fees and other revenue are recognized as revenue in the year received or receivable if the amount can be reasonably estimated and collections reasonably assured.</p>
<b>Cash and Cash Equivalents</b>	Cash and cash equivalents consists of cash on hand and on deposit with a Canadian financial institution.
<b>Donated Assets, Materials and Services</b>	Volunteers contribute a substantial number of hours each year to assist the organization in carrying out its activities. Because of the difficulty of determining the fair value, contributions of such services are not recognized in the financial statements.
<b>Capital Assets</b>	Capital assets are expensed in the year of purchase. The amount of capital assets expensed in the current year was \$810 (2014 - \$1,530).

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## Frontenac Arch Biosphere Network Summary of Significant Accounting Policies

**December 31, 2015**

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### **Use of Estimates**

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of accounts receivables and accounts payables at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Estimates have been made by management within these financial statements primarily in relation to accounts receivables and accounts payable and accrued liabilities.

These estimates and assumptions are reviewed periodically and as adjustments become necessary they are reported in the periods in which they become known.

### **Foreign Currency Translation**

Foreign currency accounts are translated into Canadian dollars as follows:

At the transaction date, each asset, liability, revenue and expense is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in income in the current period except for the foreign currency gains and losses on long-term monetary items which are deferred and amortized over the remaining terms of the related items.



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## Frontenac Arch Biosphere Network Notes to Financial Statements

**December 31, 2015**

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### 1. Cash and Bank

The organization's bank accounts are held at one chartered bank. The bank accounts earn trivial amounts of interest.

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### 2. Accounts Receivable

	2015	2014 (Restated) (Note 4)
Trade	\$ 4,691	\$ 42,157
GST/HST receivable	4,278	7,445
	\$ 8,969	\$ 49,602

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### 3. Accounts Payable and Accrued Liabilities

	2015	2014 (Restated) (Note 4)
Trade	\$ 741	\$ 21,830
Accrued liabilities	5,002	8,002
Wages payable	428	2,203
Payroll withholding taxes	954	4,342
WSIB payable	634	783
	\$ 7,759	\$ 37,160

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## Frontenac Arch Biosphere Network Notes to Financial Statements

**December 31, 2015**

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### 4. Prior Period Adjustment

During the year, it was determined that accounts receivable and revenues for the year ended December 31, 2014 were understated. As a result of this misstatement, the financial statements have been restated to reflect an increase in revenues for the year ending December 31, 2014 by \$16,193; resulting in corresponding increases in accounts receivable and net assets of \$16,193 as at December 31, 2014.

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### 5. Financial Instruments

Financial instruments are financial assets or liabilities of the organization where, in general, the organization has the right to receive cash or another financial asset from another party or the organization has the obligation to pay another party cash or other financial assets.

Financial instruments consist of cash and bank, accounts receivable and accounts payable and accrued liabilities.

The organization initially recognized its financial instruments at fair value and subsequently measure them at amortized cost.

Financial assets measured at cost or amortized cost are tested for impairment at the end of each year and the amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement and the amount of the reversal is recognized in net income. The reversal may be recorded provided it is no greater than the amount that had been previously reported as a reduction in the asset and it does not exceed original cost.

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### 6. Economic Dependence

The organization is very dependent on annual grant funding from various levels of government and other local organizations to sustain its operations. If grant funding was unattainable in any given year, it would greatly impact the operations of the organization and its ability to deliver on its objectives.