

GOERT GARRY OAK ECOSYSTEMS RECOVERY TEAM SOCIETY
FINANCIAL STATEMENTS
MARCH 31, 2010

Unaudited – See Notice to Reader

NOTICE TO READER

On the basis of information provided by management, we have compiled the statement of financial position of GOERT Garry Oak Ecosystems Recovery Team Society as at March 31, 2010 and the statements of operations and changes in net assets and cash flows for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are advised that we have performed certain bookkeeping functions in recording financial information used to compile these financial statements.

Readers are cautioned that these statements may not be appropriate for their purposes.

Victoria, B.C.

Parkes + moysey

September 22, 2010

Chartered Accountants


GOERT GARRY OAK ECOSYSTEMS RECOVERY TEAM SOCIETY
(Incorporated under the Society Act of British Columbia)

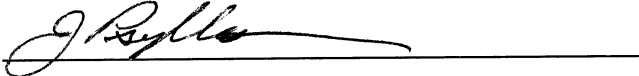
STATEMENT OF FINANCIAL POSITION

MARCH 31, 2010

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Current assets:		
Cash	\$ 49,222	\$ 63,196
Accounts receivable	25,741	48,740
Taxes receivable	2,599	
Inventory, at cost	2,287	
Prepaid expenses	<u>1,635</u>	<u> </u>
	<u>\$ 81,484</u>	<u>\$111,936</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 2,804	\$ 19,049
Deferred revenue (note 4)	<u>44,002</u>	<u>143,907</u>
Total current liabilities	46,806	162,956
Net assets:		
Unrestricted (deficit)	<u>34,678</u>	<u>(51,020)</u>
	<u>\$ 81,484</u>	<u>\$111,936</u>

Approved by the Board:





Unaudited – See Notice to Reader
(See accompanying notes)

GOERT GARRY OAK ECOSYSTEMS RECOVERY TEAM SOCIETY

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

YEAR ENDED MARCH 31, 2010

(with comparative figures for the year ended March 31, 2009)

	<u>2010</u>	<u>2009</u>
Revenues:		
Federal grants	\$ 238,806	\$ 283,488
Provincial grants	158,039	150,855
Municipal grants	65	7,985
Foundation and other grants	39,614	29,300
Donations and memberships	<u>16,592</u>	<u>5,158</u>
Total revenues	<u>453,116</u>	<u>476,786</u>
Expenditures:		
Wages and benefits	264,942	299,789
Project costs	88,422	81,521
Communications	470	30,531
Occupancy	23,832	30,216
Professional fees	7,783	18,019
Office and supplies	2,284	10,741
Membership and recognition	3,685	1,538
Bad debts (recovery) expense	<u>(24,000)</u>	<u>24,000</u>
Total expenditures	<u>367,418</u>	<u>496,355</u>
Net income (loss) for year	85,698	(19,569)
Net deficit, beginning of year	<u>(51,020)</u>	<u>(31,451)</u>
Net assets (deficit), end of year	<u>\$ 34,678</u>	<u>\$ (51,020)</u>

Unaudited – See Notice to Reader

(See accompanying notes)

GOERT GARRY OAK ECOSYSTEMS RECOVERY TEAM SOCIETY

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2010

(with comparative figures for the year ended March 31, 2009)

	<u>2010</u>	<u>2009</u>
Cash provided by (used for) operating activities:		
Excess revenues (expenditures)	\$ 85,698	\$(19,569)
Net change in operating current assets and liabilities -		
Accounts receivable	22,999	(27,885)
Taxes receivable	(2,599)	
Inventory	(2,287)	
Prepaid expenses	(1,635)	
Accounts payable	(16,245)	13,707
Deferred revenues	<u>(99,905)</u>	<u>57,128</u>
(Decrease) increase in cash during year	(13,974)	23,381
Cash, beginning of year	<u>63,196</u>	<u>39,815</u>
Cash, end of year	\$ <u>49,222</u>	\$ <u>63,196</u>

Unaudited – See Notice to Reader

(See accompanying notes)

GOERT GARRY OAK ECOSYSTEMS RECOVERY TEAM SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2010

1. Description of Society

GOERT Garry Oak Ecosystems Recovery Team Society is a registered charity (effective April 1, 2009) and is incorporated under the Society Act of British Columbia. Until acceptance as a registered charity by Canada Revenue Agency on April 1, 2009, net income of the Society was taxable under Part I of the Income Tax Act (Canada).

The Society's purpose is to educate the public and professionals about Garry Oak Ecosystems and associated species, to conduct research related to Garry Oak Ecosystems and to engage in environmental stewardship projects to improve and secure Garry Oak and associated ecosystems so that they are no longer at risk of extinction. GOERT operates primarily on southern Vancouver Island and the southern Gulf Islands.

2. Accounting policies

Preparation of the financial statements for a period necessarily involves the use of estimates and assumptions. Actual results are dependent upon future events.

The financial statements have, in management's opinion, been prepared using judgment within reasonable limits of materiality and within the framework of significant accounting policies summarized below.

Volunteer services

The Society receives significant benefits from the services of many volunteers. As no objective basis exists to value these contributions they have not been reflected in these financial statements.

Capital assets

Capital assets purchased are recorded at cost. Contributions of capital assets are recorded at fair value as of the date of contribution.

Revenue recognition

The Society uses the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue when the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or when receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions of property are recognized only when a fair value as of the date of contribution can be reasonably estimated, the property is to be used in the normal course of operations and would otherwise have been purchased.

Investment income, recorded on an accrual basis, may include interest, dividends, gains/losses on sale of investments and holding gains/losses on investments.

Investments

Short-term notes, treasury bills and term deposits maturing within a year are stated at cost, which, together with any accrued interest, approximates fair value given the short-term nature of such investments.

3. Financial instruments

The Society's financial instruments comprise cash, accounts receivable and accounts payable. Cash and short-term investments are classified as held-for-trading and are recorded at fair value with gains and losses included in earnings. Accounts receivable and accounts payable and accrued liabilities are classified as either loans and receivables or other financial liabilities and are recorded at amortized cost.

It is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments and the fair values of these financial instruments approximate their carrying values.

4. Deferred revenue

Deferred revenue represents restricted funding received during the current period which will be recognized as revenue in a subsequent period when the related costs are incurred. Changes in deferred revenue comprise:

	<u>2010</u>	<u>2009</u>
Opening balance	\$ 143,907	\$ 86,778
Amounts reported as revenue in the current period	(143,907)	(86,778)
Amounts received related to future periods	<u>44,002</u>	<u>\$ 143,907</u>
Closing balances	<u>\$ 44,002</u>	<u>\$ 143,907</u>

At the year end, Society assets totalling \$44,002 (2009 - \$143,907) are required to be disbursed in accordance with the restrictions indicated above.

5. Capital Management

The Society defines capital to be its operating fund balances. GOERT receives its principal source of capital through operating grants, donations and memberships. GOERT's objective when managing capital is to fund its operations. GOERT monitors expenses and preserves capital in accordance with annual operating budgets. GOERT is not subject to any significant external covenants on its capital and has complied with any external restrictions on its revenues.