

**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Financial Statements**  
**Year Ended December 31, 2018**

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SOUTH NATION RIVER CONSERVATION AUTHORITY  
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Year Ended December 31, 2018

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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The financial statements of South Nation River Conservation Authority are the responsibility of management and have been approved by the Board.

The financial statements of South Nation River Conservation Authority have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. A summary of the significant accounting policies are described in Note 2 of the financial statements. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

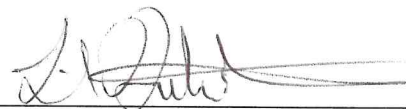
The Authority's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. The Board also considers, for approval by the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited by Baker Tilly REO LLP, independent external auditors appointed by the authority, in accordance with Canadian auditing standards. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Authority's financial statements.



Chairman



Linda Hutchinson, Director,  
Organization Effectiveness

Finch, ON  
March 21, 2019

**Baker Tilly REO LLP**  
475 Main Street, PO Box 390  
Winchester, ON  
Canada K0C 2K0

**D:** +1 613.774.2854  
**F:** +1 613.774.2586

winchester@bakertilly.ca  
**www.bakertilly.ca**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of South Nation River Conservation Authority

### *Opinion*

We have audited the financial statements of South Nation River Conservation Authority (the Authority), which comprise the statement of financial position as at December 31, 2018 and the statements of changes in net financial assets, operations, continuity of reserves and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at December 31, 2018, and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, 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.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

(continues)

Independent Auditor's Report to the Members of South Nation River Conservation Authority (continued)

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Baker Tilly REO LLP*


Winchester, Ontario  
March 21, 2019


Chartered Professional Accountants, Licensed Public Accountants

**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Statement of Financial Position**  
**Year Ended December 31, 2018**

	2018	2017
<b>FINANCIAL ASSETS</b>		
Cash (Note 4)	\$ 3,140,096	\$ 2,349,135
Accounts receivable	603,208	737,983
Receivable from municipalities (Note 5)	530,406	583,013
	4,273,710	3,670,131
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	443,364	485,125
Government remittances payable	-	3,829
Deferred income (Note 6)	980,946	650,200
	1,424,310	1,139,154
<b>NET FINANCIAL ASSETS</b>	<b>2,849,400</b>	<b>2,530,977</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 7)	9,712,000	9,827,468
Prepaid expenses	31,920	46,370
	9,743,920	9,873,838
<b>ACCUMULATED SURPLUS (Note 11)</b>	<b>\$ 12,593,320</b>	<b>\$ 12,404,815</b>

ON BEHALF OF THE BOARD

  
 \_\_\_\_\_ Chairman

  
 \_\_\_\_\_ Director

The accompanying notes are an integral part of these financial statements.

**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Statement of Changes in Net Financial Assets**  
**Year Ended December 31, 2018**

	Budget 2018	Actual 2018	Actual 2017
<b>Net surplus for the year</b>	\$ (232,680)	\$ 188,505	\$ 508,504
Acquisition of tangible capital assets	(421,513)	(176,460)	(561,836)
Contributed tangible capital assets	-	-	(129,000)
Proceeds on disposal of tangible capital assets	-	5,000	-
Loss on disposal of tangible capital assets	-	2,023	-
Depreciation	265,345	284,905	281,204
Change in prepaid expenses	-	14,450	(27,151)
Increase (decrease) in net financial assets in the year	(388,848)	318,423	71,721
Net financial assets, beginning of year	2,530,977	2,530,977	2,459,256
<b>Net financial assets, end of year</b>	<b>\$ 2,142,129</b>	<b>\$ 2,849,400</b>	<b>\$ 2,530,977</b>

The accompanying notes are an integral part of these financial statements.

**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Statement of Continuity of Reserves**  
**Year Ended December 31, 2018**

	Balance, beginning of year	From operations	To operations	Balance, end of year
<b>COMMITTED RESERVES</b>				
Sewage systems inspections	\$ 13,292	\$ 61,266	\$ -	\$ 74,558
Dr. Jackson - Forestry programs	10,183	176	-	10,359
Findlay Creek	265,645	4,573	1,056	269,162
Environmental Projects	18,926	326	-	19,252
MNR revenue sharing	203,793	3,515	-	207,308
School programs	2,211	38	-	2,249
Land acquisition - forestry	44,515	768	-	45,283
Memorial fund	50,881	2,347	-	53,228
<b>Subtotal, committed reserves</b>	<b>\$ 609,446</b>	<b>\$ 73,009</b>	<b>\$ 1,056</b>	<b>\$ 681,399</b>
<b>OPERATING</b>	<b>\$ 716,423</b>	<b>\$ 17,401</b>	<b>\$ -</b>	<b>\$ 733,824</b>
<b>CAPITAL PROJECTS</b>	<b>836,111</b>	<b>88,622</b>	<b>-</b>	<b>924,733</b>
<b>WATER CONTROL STRUCTURES</b>	<b>112,239</b>	<b>6,979</b>	<b>-</b>	<b>119,218</b>
<b>Year ended December 31, 2018</b>	<b>2,274,219</b>	<b>186,011</b>	<b>1,056</b>	<b>2,459,174</b>
<b>Year ended December 31, 2017</b>	<b>\$ 2,188,390</b>	<b>\$ 93,839</b>	<b>\$ 8,010</b>	<b>\$ 2,274,219</b>

The accompanying notes are an integral part of these financial statements.



**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Statement of Operations**  
**Year Ended December 31, 2018**

	Budget 2018	Actual 2018	Actual 2017
<b>REVENUE</b>			
Ministry of Natural Resources	\$ 176,409	\$ 176,409	\$ 176,409
Source water protection	49,350	53,499	85,046
Municipal levies	3,252,156	3,252,156	3,147,472
Special levies	620,221	293,095	544,579
Other sources	2,435,208	2,553,213	3,214,125
<b>TOTAL OPERATING REVENUE</b>	<b>6,533,344</b>	<b>6,328,372</b>	<b>7,167,631</b>
<b>SCIENCE &amp; RESEARCH (Schedule 1)</b>			
Resource management	593,193	442,668	555,031
Resource services	628,135	569,133	460,976
Projects	571,076	544,758	1,050,536
	1,792,404	1,556,559	2,066,543
<b>PROPERTY &amp; APPROVALS (Schedule 2)</b>			
Approvals	1,120,623	948,427	1,152,043
Property	926,138	829,395	783,046
Projects	714,398	768,626	488,754
	2,761,159	2,546,448	2,423,843
<b>ORGANIZATION EFFECTIVENESS (Schedule 3)</b>			
Corporate services	1,300,156	1,105,312	1,217,463
Information management and technology	233,587	200,545	210,424
Communications and outreach	413,373	446,098	459,650
	1,947,116	1,751,955	1,887,537
<b>TOTAL OPERATING EXPENSES</b>	<b>6,500,679</b>	<b>5,854,962</b>	<b>6,377,923</b>
<b>DEPRECIATION</b>	<b>265,345</b>	<b>284,905</b>	<b>281,204</b>
<b>TOTAL EXPENSES</b>	<b>6,766,024</b>	<b>6,139,867</b>	<b>6,659,127</b>
<b>NET SURPLUS</b>	<b>(232,680)</b>	<b>188,505</b>	<b>508,504</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>12,404,815</b>	<b>12,404,815</b>	<b>11,896,311</b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ 12,172,135</b>	<b>\$ 12,593,320</b>	<b>\$ 12,404,815</b>

The accompanying notes are an integral part of these financial statements.

**SOUTH NATION RIVER CONSERVATION AUTHORITY**

**Statement of Cash Flow**

**Year Ended December 31, 2018**

	2018	2017
<b>OPERATING ACTIVITIES</b>		
Net surplus	\$ 188,505	\$ 508,504
Items not affecting cash:		
Depreciation	284,905	281,204
Contributed tangible capital assets	-	(129,000)
Loss on disposal of tangible capital assets	2,023	-
	<u>475,433</u>	<u>660,708</u>
Changes in non-cash working capital:		
Accounts receivable	134,775	240,508
Receivable from municipalities	52,607	52,907
Accounts payable and accrued liabilities	(41,761)	(95,226)
Government remittances payable	(3,829)	(2,436)
Deferred income	330,746	(67,837)
Prepaid expenses	14,450	(27,151)
	<u>486,988</u>	<u>100,765</u>
Cash flow from operating activities	<u>962,421</u>	<u>761,473</u>
<b>CAPITAL ACTIVITY</b>		
Purchase of tangible capital assets	(176,460)	(561,836)
Proceeds on disposal of tangible capital assets	5,000	-
Cash flow used by capital activity	<u>(171,460)</u>	<u>(561,836)</u>
<b>INCREASE IN CASH FLOW</b>	<b>790,961</b>	<b>199,637</b>
<b>CASH - BEGINNING OF YEAR</b>	<b>2,349,135</b>	<b>2,149,498</b>
<b>CASH - END OF YEAR (Note 4)</b>	<b>\$ 3,140,096</b>	<b>\$ 2,349,135</b>

The accompanying notes are an integral part of these financial statements.

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**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**Year Ended December 31, 2018**

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**1. DESCRIPTION OF BUSINESS**

The South Nation River Conservation Authority (the "Authority") is established under the Conservation Authorities Act - Ontario. It acts as the agent for water and land conservation and management for its member municipalities.

The Authority is a registered charity and, as such, is exempt from income tax and may issue tax receipts to donors.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Significant Accounting Policies

The financial statements of the Authority are the representations of management prepared in accordance with Canadian public sector accounting standards.

Revenue and expenditures are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable and an expenditure is recognized when incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Cash and cash equivalents

Cash includes cash held in banks and cash on hand.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Deferred income

The Authority receives certain amounts from other entities, the proceeds of which may only be used in the conduct of certain programs or completion of specific work. Further, certain user charges and fees are collected but for which the related services have yet to be performed. These amounts are recognized as revenue when the related expenditures are incurred or services performed.

Reserves

Reserves for future expenditures and contingencies are established as required at the discretion of the members of the Board of Directors of the Authority. Increases or decreases in these reserves are made by appropriations to or from reserves.

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**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**Year Ended December 31, 2018**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Tangible capital assets

Tangible capital assets are stated at cost less accumulated amortization. Contributed tangible capital assets are recorded at fair market value at the date of contribution. Tangible capital assets are amortized over their estimated useful lives at the following rates and methods:

Buildings	10 to 40 years	straight-line method
Equipment	5 to 10 years	straight-line method
Furniture and fixtures	10 years	straight-line method
Vehicles	5 to 10 years	straight-line method
Computer and networking equipment	3 to 5 years	straight-line method
Computer software	3 to 5 years	straight-line method
Parking lot and other land improvements	10 to 20 years	straight-line method
Flood control structures	50 years	straight-line method

One half of the above rates are used in the year of acquisition.

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

Tangible capital assets received as unrestricted contributions are recorded at fair market value at the date of receipt and are also recorded as revenue. Tangible capital assets received as restricted contributions are recorded at fair market value at the date of receipt and are applied directly to accumulated surplus.

The organization regularly reviews its tangible capital assets to eliminate obsolete items.

The organization has capitalization thresholds. For all additions of tangible capital assets, including pooled assets, except for the purchase of land, the capitalization threshold is \$5,000.

Revenue Recognition

The Authority follows the deferral method of accounting for contributions. Government assistance is recorded as revenue when eligible claims are determined and the expenditure incurred. Levies on member municipalities are recorded after Board of Directors' approval and recorded as revenue in the year levied. When revenue from special programs is received in advance of the related expenditure, such revenue is deferred until the year in which the expenditure is incurred.

Donated materials and services

Donated materials and services are recorded at fair market value if they would otherwise have been purchased.

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**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**Year Ended December 31, 2018**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

Contributed services

Volunteers contribute a significant amount of their time each year. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Use of Estimates

Since precise determination of many assets and liabilities is dependant upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and assumptions. These have been made using careful judgments. Actual results could differ from management's best estimates as additional information becomes available in the future. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the periods in which they become known. Areas where estimations are used include accrued liabilities, deferred revenue, useful life of tangible capital assets and allowance for doubtful accounts.

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**3. FINANCIAL INSTRUMENTS**

The Authority 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 Authority's risk exposure and concentration as of December 31, 2018.

***Credit risk***

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Authority is exposed to credit risk from customers. In order to reduce its credit risk, the Authority reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Authority is exposed to a high concentration of credit risk as two entities represent 37% of accounts receivable and one entity represents 93% of long-term receivable from municipalities (Note 5). The Authority has deemed all amounts receivable at year end to be collectible. There has been no change to the risk exposure from the prior year.

Unless otherwise noted, it is management's opinion that the Authority is not exposed to significant other price risks arising from these financial instruments.

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**4. CASH**

The Authority's bank account is held at a chartered bank. The bank account earns interest at prime less 1.95% to prime less 1.85%.

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**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**Year Ended December 31, 2018**

**5. RECEIVABLE FROM MUNICIPALITIES**

	<b>2018</b>	<b>2017</b>
Due from various municipalities for their portion of the funds used to purchase and renovate the head office in Finch. Receivable in blended payments with interest charged at approximately prime less 1.00%, due in 2027.	<b>\$ 530,406</b>	<b>\$ 583,013</b>

Principal receivable terms are approximately:

2019	\$ 52,102
2020	53,738
2021	55,363
2022	57,036
2023	58,760
Thereafter	253,407
	<b>\$ 530,406</b>

**6. DEFERRED INCOME**

	Balance, beginning of year	Funds received	Funds earned	Balance, end of year
<u>Science &amp; Research</u>				
Resource management	\$ 42,201	\$ 27,102	\$ (41,918)	\$ 27,385
Stewardship	128,902	451,972	(448,921)	131,953
Projects	68,943	397,046	(244,352)	221,637
	240,046	876,120	(735,191)	<b>380,975</b>
<u>Property &amp; Approvals</u>				
Community lands	70,784	295,164	(26,689)	339,259
Buildings & infrastructures	14,251	2,756	(17,007)	-
Development review	15,943	403,612	(402,889)	16,666
Sewage systems review	80,694	357,502	(370,150)	68,046
Source water protection	26,987	53,499	(53,499)	26,987
Projects	112,332	577,304	(619,546)	70,090
	320,991	1,689,837	(1,489,780)	<b>521,048</b>
<u>Organization Effectiveness</u>				
Communications & outreach	89,163	65,330	(75,570)	78,923
	<b>\$ 650,200</b>	<b>\$ 2,631,287</b>	<b>\$ (2,300,541)</b>	<b>\$ 980,946</b>

**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**Year Ended December 31, 2018**

**7. TANGIBLE CAPITAL ASSETS**

<u>Cost</u>	2017 Balance	Additions	Disposals	2018 Balance
Land	\$ 6,943,525	\$ 1,227	\$ -	\$ 6,944,752
Buildings	1,220,870	16,164	-	1,237,034
Equipment	537,975	20,161	(7,555)	550,581
Furniture and fixtures	231,074	-	-	231,074
Vehicles	333,993	62,175	(55,401)	340,767
Computer and networking equipment	524,038	71,834	(40,797)	555,075
Computer software	135,937	-	(11,962)	123,975
Parking lot and other land improvements	321,135	4,899	-	326,034
Flood control structures	4,814,000	-	-	4,814,000
	<u>\$ 15,062,547</u>	<u>\$ 176,460</u>	<u>\$ (115,715)</u>	<u>\$ 15,123,292</u>

<u>Accumulated Amortization</u>	2017 Balance	Amortization	Accumulated Amortization on Disposals	2018 Balance
Buildings	\$ 277,366	\$ 32,408	\$ -	\$ 309,774
Equipment	267,192	40,502	(7,555)	300,139
Furniture and fixtures	197,482	18,129	-	215,611
Vehicles	272,691	27,979	(55,046)	245,624
Computer and networking equipment	406,566	45,459	(34,129)	417,896
Computer software	95,146	14,590	(11,962)	97,774
Parking lot and other land improvements	120,416	21,598	-	142,014
Flood control structures	3,598,220	84,240	-	3,682,460
	<u>\$ 5,235,079</u>	<u>\$ 284,905</u>	<u>\$ 108,692</u>	<u>\$ 5,411,292</u>

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**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**Year Ended December 31, 2018**

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**7. TANGIBLE CAPITAL ASSETS (continued)**

<u>Net book value</u>	<u>2018</u>	<u>2017</u>
Land	\$ 6,944,752	\$ 6,943,525
Buildings	927,260	943,504
Equipment	250,442	270,783
Furniture and fixtures	15,463	33,592
Vehicles	95,143	61,302
Computer and networking equipment	137,179	117,472
Computer software	26,201	40,791
Parking lot and other land improvements	184,020	200,719
Flood control structures	1,131,540	1,215,780
	<u>\$ 9,712,000</u>	<u>\$ 9,827,468</u>

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**8. RESERVES**

a) Revenue Sharing

In accordance with the Ministry of Natural Resources and Forestry Revenue Sharing Policy, \$3,515 (2017 - \$2,093) of interest received during the year has been transferred to the revenue sharing reserve.

b) School Programs and Memorial Fund

These reserves were established in 1998 to receive specified donations that are used to fund the School Programs and the Memorial Fund.

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**9. CONTINGENCIES**

Under the Forestry Act, the Authority may be liable to the Ministry of Natural Resources and Forestry for an amount not greater than 50% of the proceeds from sale of lands for which acquisition grants were received from the Ministry of Natural Resources and Forestry. As of December 31, 2018, management is not aware of any liability in this regard.

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**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**Year Ended December 31, 2018**

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**10. CREDIT FACILITIES - ROYAL BANK**

The Authority has an authorized \$1,000,000 revolving demand facility by way of Royal Bank Prime based loans bearing interest at prime less 0.50% and Bankers' Acceptance with an acceptance fee of 0.40%.

This facility is secured by:

- a) General security agreement signed by the borrower constituting a first ranking security interest in all personal property of the borrower; and
- b) Borrowing resolution.

At year end, \$1,000,000 (2017 - \$1,000,000) was available on this facility.

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**11. ACCUMULATED SURPLUS**

**Accumulated surplus consists of:**

Tangible capital assets	<b>\$ 9,712,000</b>	\$ 9,827,468
Reserves	<b>2,459,174</b>	2,274,219
Surplus - operations	<b>422,146</b>	303,128
	<b><u>\$ 12,593,320</u></b>	<u>\$ 12,404,815</u>

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**12. COMPARATIVE FIGURES**

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

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**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Science & Research (Schedule 1)**  
**Year Ended December 31, 2018**

	2018	2017
<b>SCIENCE &amp; RESEARCH</b>		
Salaries and employee benefits	\$ 746,207	\$ 853,842
Grants	265,094	205,600
Contracted and technical services	237,130	725,607
Tree planting material and services	150,281	135,050
Supplies	42,382	61,049
Travel and training	38,216	35,761
Consultants and legal fees	26,328	4,871
Advertising and promotion	19,957	9,336
Equipment repairs and maintenance	12,385	8,961
Committee meetings	10,207	11,526
Vehicle	4,452	8,798
Telephone	2,884	2,710
Leases	696	1,380
Bank charges and interest	254	265
Program support	86	1,787
	<b>\$ 1,556,559</b>	<b>\$ 2,066,543</b>

The accompanying notes are an integral part of these financial statements.

**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Property & Approvals (Schedule 2)**  
**Year Ended December 31, 2018**

	2018	2017
<b>PROPERTY &amp; APPROVALS</b>		
Salaries and employee benefits	\$ 1,914,742	\$ 1,806,528
Contracted and technical services	150,013	162,700
Supplies	104,997	81,682
Vehicle	87,935	71,954
Property taxes and drainage assessment	72,626	66,302
Consultants and legal fees	70,539	127,082
Equipment repairs and maintenance	52,280	15,250
Utilities	37,415	36,985
Travel and training	31,216	29,620
Bank charges and interest	8,304	6,919
Leases	8,161	6,792
Program support	3,461	2,870
Telephone	2,703	2,564
Tree planting material	1,200	2,497
Memberships	808	1,733
Advertising and promotion	48	1,726
Committee meetings	-	639
	<b>\$ 2,546,448</b>	<b>\$ 2,423,843</b>

The accompanying notes are an integral part of these financial statements.

**SOUTH NATION RIVER CONSERVATION AUTHORITY**  
**Organization Effectiveness (Schedule 3)**  
**Year Ended December 31, 2018**

	2018	2017
<b>ORGANIZATION EFFECTIVENESS</b>		
Salaries and employee benefits	\$ 1,114,448	\$ 1,290,844
Contracted and technical services	116,343	118,035
Board and committee meetings	76,427	71,643
Supplies	68,868	66,611
Insurance	67,484	59,868
Travel and training	63,803	66,033
Consultants, legal and audit fees	54,475	46,991
Equipment, software, repairs and maintenance	46,779	27,482
Telephone and internet	36,378	37,943
Conservation Ontario levy	33,370	31,403
Advertising and promotion	31,707	36,052
Memberships	25,546	22,549
Grants	10,105	7,900
Program support	3,938	2,203
Bank charges and interest	2,134	1,500
Vehicle	150	480
	<b>\$ 1,751,955</b>	<b>\$ 1,887,537</b>

The accompanying notes are an integral part of these financial statements.