

Long Point World Biosphere Reserve Foundation

Financial Statements

March 31, 2022

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Long Point World Biosphere Reserve Foundation:

We have reviewed the accompanying financial statements of Long Point World Biosphere Reserve Foundation (the "Organization") that comprise the statement of financial position as at March 31, 2022, and the statements of changes in net assets, operations and cash flow for the year then ended, 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 (ASNPO), 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Basis for Qualified Conclusion

In common with many not-for-profit organizations, the Organization derives revenue from donations and supporter fees, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to donation and supporter revenue, deficiency of revenues over expenses, cash flows from operations for the year ended March 31, 2022, and current assets and net assets as at March 31, 2022.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the *Basis for Qualified Conclusion* paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Long Point World Biosphere Reserve Foundation as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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Millard, Rouse & Rosebrugh LLP

85 Robinson Street, Simcoe, ON N3Y 1W7 T: 519.426.1606
SIMCOE PORT DOVER BRANTFORD HAGERSVILLE

Independent Practitioner's Review Engagement Report To the Members of Long Point World Biosphere Reserve Foundation: *(continued)*

Other Matter

Without modifying our conclusion, we draw attention to Note 5 of the financial statements, which describes the effects of the coronavirus disease (COVID-19) on the company.

October 21, 2023
Simcoe, Ontario

Millard, Rouse & Rosebrugh LLP

Millard, Rouse & Rosebrugh LLP
Chartered Professional Accountants
Licensed Public Accountants

Long Point World Biosphere Reserve Foundation

Statement of Financial Position

As at March 31, 2022

ASSETS

Current

Cash	\$	112,026
Accounts receivable		29,863
Harmonized sales tax recoverable		11,790
Prepaid expenses		1,239

154,918

Original artwork

1,800

\$ 156,718

LIABILITIES AND NET ASSETS

Current

Accounts payable	\$	44,842
Deferred revenue		63,662

108,504

Net assets

Operating fund		28,214
Internally restricted fund (Note 3)		20,000

48,214

\$ 156,718

ON BEHALF OF THE BOARD

_____ *Tom Via, Chair*

_____ *Michael Vansickle, Treasurer*

See accompanying notes to financial statements

Long Point World Biosphere Reserve Foundation

Statement of Changes in Net Assets

Year ended March 31, 2022

	Operating Fund	Internally Restricted Fund (Note 3)	2022
Net assets - beginning of year	\$ 34,916	\$ 50,000	\$ 84,916
Deficiency of revenues over expenses	(36,702)	-	(36,702)
Transfer between funds (Note 3)	30,000	(30,000)	-
NET ASSETS - END OF YEAR	\$ 28,214	\$ 20,000	\$ 48,214

See accompanying notes to financial statements

Long Point World Biosphere Reserve Foundation

Statement of Operations Year ended March 31, 2022

Revenues

Government funding	\$ 143,363
Donations	11,042
Supporters	1,295
Interest income	516

156,216

Expenses

Administration	13,929
Bank charges	293
Insurance	1,967
Licenses, dues and memberships	75
Marketing and fund development	8,160
Meetings	244
Office	1,503
Professional fees	12,727
Travel	184

39,082

Programming expenses

Knowledge sharing	63,690
Research and conservation	69,325
Sustainable tourism	20,821

153,836

DEFICIENCY OF REVENUES OVER EXPENSES \$ (36,702)

Long Point World Biosphere Reserve Foundation

Statement of Cash Flow Year ended March 31, 2022

OPERATING ACTIVITIES

Deficiency of revenue over expenses for the year	\$ (36,702)
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Changes in non-cash working capital:	
Accounts receivable	2,801
Accounts payable	13,216
Deferred revenue	25,768
Harmonized sales tax recoverable	(10,251)
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	31,534
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Cash flow used by operating activities	(5,168)

INVESTING ACTIVITY

Redemption of temporary investments	50,000
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INCREASE IN CASH

	44,832
Cash - beginning of year	67,194

CASH - END OF YEAR	\$ 112,026
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Long Point World Biosphere Reserve Foundation

Notes to Financial Statements

Year ended March 31, 2022

1. NATURE OF OPERATIONS

The Long Point World Biosphere Reserve Foundation (the Organization) represents an area of terrestrial and coastal ecosystem that is internationally recognized within the United Nations Educational, Scientific, and Cultural Organization (UNESCO) Man and Biosphere (MAB) Program for promoting and demonstrating a balanced relationship between people and nature. The Organization promotes research, monitoring, education, and appropriate projects that support the goals of conservation and sustainable use in the Long Point World Biosphere Reserve. The Organization is a registered charitable organization and accordingly is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Organization's financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Externally restricted donations and government funding are recognized as revenue in the year in which the related expenses are incurred and there is reasonable assurance that the Organization has complied with and will continue to comply with all necessary conditions to obtain the funding. Unrestricted donations and government funding are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Government funding repayable, as a result of the Organization having unspent funding at year-end, is deducted from government funding recognized in the year.

Supporter income is recognized when received.

Interest income is recognized when earned and collection is reasonably assured.

Original artwork

Original artwork is stated at cost less accumulated amortization. Original artwork is amortized over its estimated useful life, which is considered to be indefinite. The Organization regularly reviews its original artwork to eliminate obsolete items.

Contributed services

Volunteers contribute significant amounts of time to assist the Organization in carrying out its service delivery activities. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are charged to the financial instrument for those measured at amortized cost. The Organization's financial instruments consist of cash, accounts receivable, accounts payable and deferred revenue.

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Long Point World Biosphere Reserve Foundation

Notes to Financial Statements

Year ended March 31, 2022

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

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates as additional information becomes available in the future. The estimates in these financial statements relates to accrued liabilities included in accounts payable and deferred revenue.

3. INTERNALLY RESTRICTED FUND

The internally restricted fund is approved by the Board of Directors and relates to funds specifically held to fund future operations. The internally restricted fund is fully funded from the Organization's cash. During the year, the Board of Directors approved \$30,000 be transferred from the internally restricted fund to the operating fund as a contingency for basic operations.

4. FINANCIAL INSTRUMENTS

The following analysis provides information about the Organization's risk exposure and concentration as of March 31, 2022.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization is exposed to credit risk from customers and government funders. The Organization's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable and this risk has not changed from the prior year.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises from the Organization's accounts payable and this risk has not changed from the prior year.

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

5. EXTRAORDINARY EVENT - COVID-19

In March 2020, the World Health Organization declared a global pandemic due to the coronavirus disease (COVID-19). The situation is constantly evolving and the measures put in place are having multiple impacts on local, provincial, national and global economies.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, we are unable to estimate the potential impact on the Long Point World Biosphere Reserve Foundation's operations as at the date of these financial statements.