

ALLIANCE OF CANADIAN LAND TRUSTS
Financial Statements
Year Ended December 31, 2023



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Board of Directors of Alliance of Canadian Land Trusts

We have reviewed the accompanying financial statements of Alliance of Canadian Land Trusts (the organization) that comprise the statement of financial position as at December 31, 2023, and the statements of revenues and expenditures, changes in net assets and cash flows 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.

Conclusion

Based on our review, 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 Alliance of Canadian Land Trusts as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Other Matter

The financial statements of Alliance of Canadian Land Trusts for the year ended December 31, 2022 are presented as corresponding figures only. We were not engaged to report on December 31, 2022 opening balances or comparative information, and as such, it is neither audited nor reviewed

Surrey, BC

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ALLIANCE OF CANADIAN LAND TRUSTS
Statement of Financial Position
December 31, 2023

	<i>December 31</i> 2023	<i>December 31</i> 2022	<i>January 1</i> 2022
ASSETS			
CURRENT			
Cash	\$ 89,127	\$ -	\$ -
Accounts receivable	156,880	2,488	-
	246,007	2,488	-
EQUIPMENT (Note 5)	1,122	-	-
	\$ 247,129	\$ 2,488	\$ -
LIABILITIES AND NET ASSETS			
CURRENT			
Accounts payable and accrued liabilities	\$ 19,964	\$ 2,488	\$ -
Goods and services tax payable	6,222	-	-
Deferred revenue (Note 6)	175,847	-	-
	202,033	2,488	-
NET ASSETS	45,096	-	-
	\$ 247,129	\$ 2,488	\$ -

See notes to financial statements

ALLIANCE OF CANADIAN LAND TRUSTS
Statement of Revenues and Expenditures
Year Ended December 31, 2023

	2023	2022
REVENUES		
Conference revenue	\$ 12,269	\$ -
Grants and foundation revenue	146,538	-
Other funding	126,113	2,488
	<u>284,920</u>	<u>2,488</u>
EXPENDITURES		
Amortization	426	-
Delivery, freight and express	103	-
Insurance	750	-
Interest and bank charges	271	-
Meetings and conventions	116	-
Memberships	3,000	-
Office	2,080	-
Professional fees	10,346	-
Sub-contracts	204,661	1,450
Supplies	742	-
Telephone	1,173	-
Travel	16,156	1,038
	<u>239,824</u>	<u>2,488</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>\$ 45,096</u>	<u>\$ -</u>

See notes to financial statements

ALLIANCE OF CANADIAN LAND TRUSTS
Statement of Changes in Net Assets
Year Ended December 31, 2023

	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ -	\$ -
EXCESS OF REVENUES OVER EXPENDITURES	45,096	-
NET ASSETS - END OF YEAR	\$ 45,096	\$ -

See notes to financial statements

ALLIANCE OF CANADIAN LAND TRUSTS
Statement of Cash Flows
Year Ended December 31, 2023

	2023	2022
OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 45,096	\$ -
Item not affecting cash:		
Amortization of equipment	426	-
	<u>45,522</u>	<u>-</u>
Changes in non-cash working capital:		
Accounts receivable	(154,392)	(2,488)
Accounts payable and accrued liabilities	17,476	2,488
Deferred revenue	175,847	-
Goods and services tax payable	6,222	-
	<u>45,153</u>	<u>-</u>
Cash flow from operating activities	<u>90,675</u>	<u>-</u>
INVESTING ACTIVITY		
Purchase of equipment	(1,548)	-
	<u>89,127</u>	<u>-</u>
INCREASE IN CASH FLOW		
Cash - beginning of year	-	-
CASH - END OF YEAR	<u>\$ 89,127</u>	<u>\$ -</u>
CASH CONSISTS OF:		
Cash	<u>\$ 89,127</u>	<u>\$ -</u>

See notes to financial statements

ALLIANCE OF CANADIAN LAND TRUSTS

Notes to Financial Statements

Year Ended December 31, 2023

1. FIRST TIME ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS

During the year the Alliance of Canadian Land Trusts (the "Organization") adopted Canadian accounting standards for not-for-profit organizations (ASNPO). These financial statements are the first prepared in accordance with these standards. The changes have been applied retrospectively, and the adoption of ASNPO had no impact on opening assets, liabilities and net assets as at January 1, 2022.

2. NATURE OF OPERATIONS

Alliance of Canadian Land Trusts (the "Organization") is a not-for-profit organization that was incorporated on August 8, 2017 under the Canada Not-for-profit Corporations Act. It was initially registered under name "Land Trusts Canada" and later changed its name to Alliance of Canadian Land Trusts. The organization was granted Charitable status on August 29, 2023.

The Alliance of Canadian Land Trusts's mission is to support and empower land trusts across Canada to be vibrant, unified and effective in advancing land conservation. The vision of the Alliance of Canadian Land Trusts is protecting nature through the stewardship and conservation of the most vital landscapes in communities across Canada.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Revenue recognition

Alliance of Canadian Land Trusts follows the deferral method of accounting for contributions.

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

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

(continues)

ALLIANCE OF CANADIAN LAND TRUSTS

Notes to Financial Statements

Year Ended December 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Equipment

Equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Computer equipment 55% declining balance method

Equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Impairment of long lived assets

The organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

4. FINANCIAL INSTRUMENTS

The organization 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 organization's risk exposure and concentration as of December 31, 2023.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization's main credit risk relates to its cash, restricted cash and accounts receivable. The organization mitigates the risk in relation to cash and restricted cash by placing it with major Canadian financial institutions. The organization has a significant number of funders which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its funders and accounts payable.

5. EQUIPMENT

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Computer equipment	\$ 1,548	\$ 426	\$ 1,122	\$ -

ALLIANCE OF CANADIAN LAND TRUSTS
Notes to Financial Statements
Year Ended December 31, 2023

6. DEFERRED REVENUE

	<u>2023</u>	<u>2022</u>
Deferred revenue	<u>\$ 175,847</u>	<u>\$ -</u>

Deferred revenue represents the unspent portion of funding programs. The deferred amounts will be held by the Alliance of Canadian Land Trusts for future initiatives and will be recognized in revenue in the year which the expenditures are incurred. The Alliance of Canadian Land Trusts is required to prepare reports for the grantors showing how the funds were actually spent, and if the terms are not met this could result in the grantor requesting the funds be returned.

7. ECONOMIC DEPENDENCE

The organization is dependant upon Nature Canada, Echo Foundation, Wildlife Habitat Canada (WHC) and Environment and Climate Change Canada (ECCC), as its ability to continue as a viable operation is based off of revenue generated from the agreements in place and the ability to apply to different grants available.
