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**WESTWIND FOREST STEWARDSHIP INC.**

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**FINANCIAL STATEMENTS**

**MARCH 31, 2010**

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**WESTWIND FOREST STEWARDSHIP INC.**

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**MARCH 31, 2010**

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**Charles A. Durocher**  
**Chartered Accountant**

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**REVIEW ENGAGEMENT REPORT**

To the Members of  
WESTWIND FOREST STEWARDSHIP INC.

I have reviewed the balance sheet of WESTWIND FOREST STEWARDSHIP INC. as at March 31, 2010 and the statements of revenue, expenditures and surplus, changes in net assets and changes in financial position, for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the company.

A review does not constitute an audit and consequently, I do not express an audit opinion on these financial statements.

Based on my review nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Parry Sound, Ontario  
September 21, 2010

CHARLES A. DUROCHER, C. A.  
LICENSED PUBLIC ACCOUNTANT

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**WESTWIND FOREST STEWARDSHIP INC.**

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**BALANCE SHEET****AS AT MARCH 31, 2010**

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	<b>2010</b>	2009
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 160,057	\$ 253,653
Term deposit	-	113,328
Accounts receivable (Note 3)	90,247	272,132
GST receivable	2,789	-
	<b>253,093</b>	639,113
<b>CAPITAL ASSETS (Note 4)</b>	<b>12,810</b>	16,473
	<b>\$ 265,903</b>	<b>\$ 655,586</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 152,047	\$ 265,360
Stewardship funds	-	16,987
Deferred contributions:		
MNR Partnership Projects	-	111,183
Ontario tree marking committee account	-	102,106
Georgian Bay Stewardship funds	-	54,631
Ivey Foundation funds	-	30,000
	<b>152,047</b>	580,267
<b>NET ASSETS</b>		
Net assets invested in capital assets	<b>12,810</b>	16,473
Unrestricted net assets	<b>101,046</b>	58,846
	<b>113,856</b>	75,319
	<b>\$ 265,903</b>	<b>\$ 655,586</b>

APPROVED ON BEHALF OF THE MEMBERS:

\_\_\_\_\_  
Director

PREPARED WITHOUT AUDIT

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**WESTWIND FOREST STEWARDSHIP INC.**

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**STATEMENT OF CHANGES IN NET ASSETS****FOR THE YEAR ENDED MARCH 31, 2010**

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	<u>Invested in Capital Assets</u>	<u>Unrestricted</u>	<u>Internally Restricted</u>	<u>2010 Total</u>	<u>2009 Total</u>
Balance beginning of year	\$ 16,473	\$ 58,846	\$ -	\$ 75,319	\$ 71,720
Excess (shortfall) of revenue over expenses	(3,663)	42,200	-	38,537	3,599
	\$ 12,810	\$ 101,046	\$ -	\$ 113,856	\$ 75,319

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PREPARED WITHOUT AUDIT

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**WESTWIND FOREST STEWARDSHIP INC.**

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**STATEMENT OF REVENUE, EXPENDITURES AND SURPLUS****FOR THE YEAR ENDED MARCH 31, 2010**

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	<b>2010</b>	2009
<b>OPERATING REVENUE</b>		
Funding		
Renewal trust	\$ 108,990	\$ 420,614
Forestry futures	115,779	207,243
Ivey foundation	30,000	-
Other		
Levies	282,622	360,311
Services	10,018	39,962
MNR FMP	-	17,497
MNR partnership	33,682	-
Roads funding	674,135	63,000
Share sales	133,897	-
Interest income	3,517	7,200
	<b>1,392,640</b>	1,115,827
<b>OPERATING EXPENSES</b>		
Staff	398,766	444,664
Vehicle	34,122	38,912
Office and administration	51,536	59,267
FSC standards	6,775	7,655
Annual planning	58,931	84,416
Other operational	678,205	504
Forestry futures	114,833	207,243
Silviculture expenses	7,272	264,790
Depreciation	3,663	4,777
	<b>1,354,103</b>	1,112,228
<b>SURPLUS (DEFICIENCY) FOR THE YEAR</b>	<b>\$ 38,537</b>	<b>\$ 3,599</b>

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PREPARED WITHOUT AUDIT

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**WESTWIND FOREST STEWARDSHIP INC.**

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**STATEMENT OF CHANGES IN FINANCIAL POSITION****FOR THE YEAR ENDED MARCH 31, 2010**

	<b>2010</b>	2009
<b>OPERATING ACTIVITIES</b>		
Working capital from operations		
Surplus (deficiency)	\$ 38,537	\$ 3,599
Add : non working capital charges (credits)		
Depreciation	<b>3,663</b>	4,777
	<b>42,200</b>	8,376
Net change in non-cash working capital balances from operations*	<b>(135,796)</b>	(31,299)
	<b>(93,596)</b>	(22,923)
<b>FINANCING ACTIVITIES</b>		
	-	-
<b>INVESTING ACTIVITIES</b>		
Additions to capital assets	-	-
	-	-
<b>INCREASE (DECREASE) IN CASH</b>	<b>(93,596)</b>	(22,923)
<b>CASH, beginning of year</b>	<b>253,653</b>	276,576
<b>CASH, end of year</b>	<b>\$ 160,057</b>	\$ 253,653

\* Consisting of changes in accounts receivable, GST receivable, accounts payable and accrued liabilities and stewardship funds payable.

PPREPARED WITHOUT AUDIT

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**WESTWIND FOREST STEWARDSHIP INC.**

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**NOTES TO THE FINANCIAL STATEMENTS****MARCH 31, 2010****1. NATURE OF ORGANIZATION**

The organization is a non-profit corporation that provides for the ecologically sustainable management of the French/Severn Forest. For income tax purposes the organization is classed as a non-profit organization.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(a) Capital Assets**

Capital assets are recorded at cost. Depreciation is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Computer	- 30% declining balance
Equipment	- 20% declining balance
Vehicles	- 30% declining balance

**(b) Revenue Recognition - Contributions**

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognised as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognised as revenue when received or receivable.

**3. ACCOUNTS RECEIVABLE**

Accounts receivable consist of the following:

	<b>2010</b>	2009
Royal Trust - forestry futures and renewal	\$ 69,499	\$ 200,639
MNR Parry Sound	-	7,336
Others	<b>20,748</b>	64,157
Total	<b>\$ 90,247</b>	\$ 272,132

**4. CAPITAL ASSETS**

	<u>Cost</u>	<u>Accumulated Amortization</u>	<b>Net 2010</b>	Net 2009
Computer	\$ 56,744	\$ 54,344	\$ 2,400	\$ 3,428
Equipment	59,762	49,533	<b>10,229</b>	12,786
Vehicles	9,180	8,999	<b>181</b>	259
Total	<b>\$ 125,686</b>	\$ 112,876	<b>\$ 12,810</b>	\$ 16,473

**5. COMMITMENT**

The organization has entered into an office lease agreement for 1 year at an annual rental of \$13,300.

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