
WESTWIND FOREST STEWARDSHIP INC.

FINANCIAL STATEMENTS

MARCH 31, 2008

WESTWIND FOREST STEWARDSHIP INC.

MARCH 31, 2008

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Charles A. Durocher
Chartered Accountant

6 William Street
Parry Sound, Ontario P2A 1V1
Phone: 705-746-5300
Fax: 705-746-1482

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, 2008 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 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.

Parry Sound, Ontario
September 19, 2008

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

WESTWIND FOREST STEWARDSHIP INC.

BALANCE SHEET**AS AT MARCH 31, 2008**

	2008	2007
ASSETS		
CURRENT ASSETS		
Cash	\$ 276,576	\$ 333,543
Term deposit	103,715	-
Accounts receivable (Note 3)	121,614	340,870
GST receivable	-	16,791
	501,905	691,204
CAPITAL ASSETS (Note 4)	21,250	27,503
	\$ 523,155	\$ 718,707
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 129,386	\$ 426,152
Stewardship funds (Note 5)	15,881	13,943
Deferred contributions:		
MNR Partnership Projects (Note 6)	140,239	170,267
Ontario tree marking committee account (Note 7)	113,785	114,140
Georgian Bay Stewardship funds (Note 8)	56,289	14,316
Ivey Foundation funds (Note 9)	2,827	4,370
Conference funding account	(6,972)	3,587
	451,435	746,775
NET ASSETS		
Net assets invested in capital assets	21,250	27,503
Unrestricted net assets	50,470	(55,571)
	71,720	(28,068)
	\$ 523,155	\$ 718,707

APPROVED ON BEHALF OF THE MEMBERS:

Director

PREPARED WITHOUT AUDIT

WESTWIND FOREST STEWARDSHIP INC.

STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Invested in</u> <u>Capital Assets</u>	<u>Unrestricted</u>	<u>Internally</u> <u>Restricted</u>	<u>2008</u> <u>Total</u>	2007 <u>Total</u>
Balance beginning of year	\$ 27,503	\$ (55,571)	\$ -	\$ (28,068)	\$ 16,532
Excess (shortfall) of revenue over expenses	(6,253)	106,041	-	99,788	(44,600)
	\$ 21,250	\$ 50,470	\$ -	\$ 71,720	\$ (28,068)

PREPARED WITHOUT AUDIT

WESTWIND FOREST STEWARDSHIP INC.

STATEMENT OF REVENUE, EXPENDITURES AND SURPLUS**FOR THE YEAR ENDED MARCH 31, 2008**

	2008	2007
OPERATING REVENUE		
Funding		
Renewal trust	\$ 476,415	\$ 975,552
Forestry futures	207,180	245,149
Other		
Levies	398,867	486,947
Services	16,919	153,788
MNR FMP	36,492	-
GST Transfer	(14,982)	-
Roads funding	76,885	-
Share sales	138,500	-
Other	9,094	6,855
	1,345,370	1,868,291
OPERATING EXPENSES		
Staff	527,520	758,113
Vehicle	49,269	85,743
Office and administration	64,785	85,492
FSC standards	12,696	36,933
Annual planning	51,510	35,088
Other expenses	10,498	106,910
Other operational	3,403	-
Forestry futures	207,180	244,938
Silviculture expenses	312,468	551,454
Depreciation	6,253	8,220
	1,245,582	1,912,891
SURPLUS (DEFICIENCY) FOR THE YEAR	\$ 99,788	\$ (44,600)

PREPARED WITHOUT AUDIT

WESTWIND FOREST STEWARDSHIP INC.

STATEMENT OF CHANGES IN FINANCIAL POSITION**FOR THE YEAR ENDED MARCH 31, 2008**

	2008	2007
OPERATING ACTIVITIES		
Working capital from operations		
Surplus (deficiency)	\$ 99,788	\$ (44,600)
Add : non working capital charges (credits)		
Depreciation	6,253	8,220
	106,041	(36,380)
Net change in non-cash working capital balances from operations*	(156,036)	(78,041)
	(49,995)	(114,421)
FINANCING ACTIVITIES		
Conference funding deficiency	(6,972)	3,587
	(6,972)	3,587
INVESTING ACTIVITIES		
Additions to capital assets	-	-
	-	-
INCREASE (DECREASE) IN CASH	(56,967)	(110,834)
CASH, beginning of year	333,543	444,377
CASH, end of year	\$ 276,576	\$ 333,543

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

PPREPARED WITHOUT AUDIT

WESTWIND FOREST STEWARDSHIP INC.

NOTES TO THE FINANCIAL STATEMENTS**MARCH 31, 2008****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:

	2008	2007
Royal Trust - forestry futures and renewal	\$ 73,968	\$ 129,950
MNR Parry Sound	30,984	194,705
Others	16,662	16,215
Total	\$ 121,614	\$ 340,870

4. CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	Net 2008	Net 2007
Computer	\$ 56,744	\$ 51,846	\$ 4,898	\$ 6,996
Equipment	59,762	43,780	15,982	19,978
Vehicles	9,180	8,810	370	529
Total	\$ 125,686	\$ 104,436	\$ 21,250	\$ 27,503

5. STEWARDSHIP FUNDS

The organization is holding funds in trust for the Parry Sound - Muskoka Stewardship Network.

PREPARED WITHOUT AUDIT

WESTWIND FOREST STEWARDSHIP INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2008

6. MNR PARTNERSHIP PROJECTS

Westwind has entered into an agreement with the Minister of Natural Resources for the Province of Ontario ("MNR") whereby Westwind has agreed to perform work for the MNR. At March 31, 2008 funds in the amount of \$140,239 were on hand relating to projects to be completed in the future.

7. ONTARIO TREE MARKING COMMITTEE ACCOUNT

Westwind has entered into an agreement with the Ontario Tree Marking Committee ("OTMC") whereby Westwind has agreed to perform tree marking courses for the OTMC. At March 31, 2008 funds in the amount of \$113,785 were on hand relating to tree marking courses to be delivered in the future.

8. GEORGIAN BAY STEWARDSHIP FUNDS

The organization is holding funds in trust for Georgian Bay Stewardships Funds.

9. IVEY FOUNDATION FUNDS

The organization is holding funds in trust for the Ivey Foundation

10. FOREST PRACTICES COMPETENCY PARTNERSHIP

Westwind has entered into an agreement with the Ontario Forest Industries Association, the Ontario Lumberman's Association and the Ontario Ministry of Natural Resources to provide for the training of forest workers and the forest industry.

At December 31, 2007 funds in the amount of \$76,781 were on hand relating to forest training courses to be delivered in the future.

At March 31, 2008 a balance of \$76,781 was on hand. This balance is included in the MNR Partnership Project balance as described in Note 6.

11. COMMITMENT

The organization has entered into an office lease agreement for 1 year at an annual rental of \$14,940.

PREPARED WITHOUT AUDIT