

Minutes of the 134th Annual Business Meeting of The Ottawa Field-Naturalists' Club January 15, 2013

Place and time: Fletcher Wildlife Garden, Ottawa, Ontario, 7:00 pm
Chairperson: Ann MacKenzie, President

Attendees spent the first half-hour reviewing the minutes of the previous ABM, the Treasurer's report and the OFNC committees' annual reports for 2011. The meeting was called to order at 7:30 pm with some opening remarks from the President.

Over 30 attendees spent the first half-hour reviewing the minutes of the previous ABM, the Treasurer's report and the OFNC committees' annual reports for 2012. The meeting was called to order at 7:30 pm with some opening remarks from the President.

1. Minutes of the Previous Annual Business Meeting

It was moved by Annie Bélair and seconded by Diane Lepage that the minutes of the 133rd Annual Business Meeting be accepted as distributed.

Carried

2. Business Arising from the Minutes

Nil.

3. Communications Relating to the Annual Business Meeting

Nil.

4. Treasurer's Report by Ken Young

This is my first year as Treasurer, and it is been a learning experience the entire time.

I would like to thank my predecessor, Frank Pope, for showing me the ropes and providing invaluable advice throughout the year. As well, Yi Zhang performed a number of duties before moving to Calgary, making the first six months much easier. Ann MacKenzie continues to keep track of our investments. Finally, Wendi Mosher and Andrea Armstrong of Mosher Bookkeeping and Mark Patry and Eric Liebmann of Welch LLP have provided able professional assistance to the Club.

Changes to the Financial Statements

We have made some changes to the financial statements.

First, new accounting standards have been established for not-for-profit organizations and we have adopted them. The new standard actually simplifies the preparation of our accounts, since we no longer have to calculate a notional "fair-market" value for the bonds that we hold as investments.

Second, we are now showing our major activities on a gross rather than a net basis. This affects three of our activities that have significant revenues and expenses – the Canadian Field-Naturalist, the Fletcher Wildlife Garden and the Pelee trip.

Instead of showing a single figure for net revenues or expenses in the General Fund statement (page 3), we show gross revenues in the Revenue section and gross expenses in Activity Expenses.

This year, we are not showing any detailed breakdown of revenues and expenses of these activities. In the case of the CFN, the results for the 2011 and 2012 fiscal years require so much interpretation that it would be misleading to present them in the traditional way.

General Results for the Year

Assets are up 5%, reflecting the excess of revenue over expenses this year of \$30,920.

Revenues held quite steady. There were higher, but mainly because we held a Pelee trip in 2012 but not 2011.

On the other hand, expenses declined significantly. Operating expenses were down 31% and activity expenses were 14% lower. This is what we want – our mandate is generally served by spending money on activities.

CFN expenses were down significantly. This reflects a number of factors. One is that we simply published fewer issues in 2012. However, the move to electronic publication has reduced our printing and circulation costs.

Fletcher Wildlife Garden expenses were sharply up. This reflects the success of the Garden volunteers at raising and spending money for special projects. Most recently, they received a grant of \$17,000 to create a Monarch Waystation, and most of this money was spent in FY2012. It is important to emphasize that this successful fundraising was not accidental, but resulted from hard work and perseverance.

Looking Ahead

I expect that the current (2013) fiscal year will be uneventful from a financial point of view.

This fiscal year will continue the catch-up process for the CFN, which could result in five or six issues being published by the end of September. However, the move to digital publication has been successfully accomplished so there should not be any financial surprises.

The Wildlife Garden will complete the work on the Monarch Waystation.

As a provincially-incorporated organization, the OFNC is governed by Ontario corporate law. This is changing. Ontario has passed a new Not-for-Profit Corporations Act and is expected to proclaim it, and publish associated regulations, sometime this year. When that happens, a committee will be formed to examine its provisions, and make recommendations to bring our by-laws and procedures into conformity. Some of our financial practices may be affected.

We have been advised by our reviewer to consider the best way to account for donations and grants that are earmarked for a specific purpose. An example is the Monarch Waystation grant. We will examine this issue and any changes will be implemented in our next financial statements.

Council has authorized the Birds Committee to do the planning for a new Birds Checklist, which could involve significant expenditures.

The OFNC will be helping Nature Canada with the Lac Deschênes Important Bird Area (IBA) and the BirdLife World Congress 2013, which could result in significant expenditures.

Motion: It was moved by Ken Young and seconded by Frank Pope that the financial statements be accepted as a fair representation of the financial position of the Club as of September 30, 2012.

Carried

5. Committee Reports

The annual committee reports serve as a record of what the OFNC does throughout the year. A copy had been distributed to attendees at the beginning of the meeting; Ann asked if there were any questions or comments.

Eleanor Zurbrigg asked if a list of the committee members should be included with each committee report. Ann answered that since committee rosters are published in *Trail & Landscape*, it is not necessary to include them in the annual reports.

Moved by Annie Bélair and seconded by Diane Kitching that the reports be accepted as distributed.

Carried

6. Nomination of the Financial Reviewer

Moved by Ken Young and seconded by Frank Pope that the accounting firm of Welch LLP be nominated to conduct a review of the OFNC's accounts for the fiscal year ending September 30, 2013.

Carried

7. Report of the Nominating Committee D. Hobden

Slate proposed by the nominating committee:

NOMINATIONS FOR OFNC COUNCIL 2013

Officers

President	Fenja Brodo
1 st Vice President	Vacant
2 nd Vice President	Jeff Skevington
Recording Secretary	Annie Bélair
Treasurer	Ken Young

Council Members

Dan Brunton	Carolyn Callaghan
Barbara Chouinard	Owen Clarkin
Barry Cottam	Ian Davidson
Don Hackett	David Hobden
Diane Kitching	Diane Lepage
Ann MacKenzie	Karen McLachlan Hamilton
Lynn Ovenden	Remy Poulin
Henry Steger	Eleanor Zurbrigg

Motion: Moved by David Hobden and seconded by Marilyn Ward that this slate of nominees be accepted as members of the Council of the OFNC for 2013.

Carried

Ann stated how much she had enjoyed being President of the OFNC for the past three years and thanked the team of Council members for all their support. She also said how pleased she was that Fenja Brodo would be the new President. Fenja knows the club very well from all her past years of service to the club and Ann is confident that she will make an excellent President.

8. New Business

1. The OFNC noted with sadness the passing during 2012 of three members who had made a notable contribution to the club and the naturalist community:

- a. **Donald Britton** – died this May – Honorary Member (2001) – University of Guelph professor and internationally recognized fern expert; a tribute appearing in the next issue of the CFN.
- b. **Enid Frankton** – died this May – long time member (since 1948) and active in field trips, the Awards Committee and conservation activities.
- c. **Laurie Consaul** - died December 18, 2012 – arctic botanist at the Canadian Museum of Nature and keenly involved in eastern Ontario activities of the Ontario Breeding Bird Atlas.

2. Revisions to the Ontario Not-For-Profit Legislation:

Ann explained that when the new act comes into force, the OFNC will have three years to modify its bylaws and constitution accordingly. It is also a great opportunity to update the constitution in general. A committee will be created; anyone who is interested in participating can contact Ann MacKenzie at annmackenzie@rogers.com. The committee will report back at the 2014 ABM.

9. Adjournment

Moved by Diane Lepage and seconded by David Hobden that the meeting be adjourned at 8:45 pm.

Carried

ANNIE BÉLAI
Recording Secretary

The Ottawa Field-Naturalists' Club 2011-2012 Annual Reports

Awards Committee

The Awards Committee met in February 2012 to select deserving recipients for the Club's awards for the year 2011. Committee members evaluated nominations received against the criteria for each of the awards (see <http://www.ofnc.ca/awards.php>) and then selected the nominees who best fit the criteria; in all, five nominations were presented to and approval by Council. Awards Committee members prepared the citations for each award recipient which outlined the many ways in which the person had distinguished herself or himself by accomplishments in the field of natural history and conservation, or by extraordinary activity within the Club. The awards were presented at the Club's annual Soiree in April.

ELEANOR ZURBRIGG, Chair

Birds Committee

The Birds Committee organized the Fall Bird Count and along with the Club des Ornithologues de l'Outaouais participated in the 2011 Christmas Bird Count. The annual Peregrine Falcon Watch had an interesting year. Although the downtown nest was a failure for the 3rd year in a row, another nest was found on a government office building in Ottawa south. The Falcon Watch group was on site and two chicks fledged successfully. The building management is in discussion with the Falcon Watch and the Ministry of Natural Resources about erecting some type of nest box for next season. The Bird Record Subcommittee met during the year to review rare bird reports and is working on a new checklist for Ottawa. The committee also has a liaison with Bird Life International for their upcoming conference in 2013 and with Nature Canada for the Lac Deschênes Important Bird Area (IBA).

CHRIS TRAYNOR, Chair

Conservation Committee

For most of 2011/12 there was no formal conservation committee because the previous chair, Ken Young, had moved to the position of Treasurer. In October 2012 Owen Clarkin agreed to chair the committee. However, during the year there was a Google Group of members interested in conservation issues and they considered various issues that arose. The activity of this group prompted the club to join other naturalist clubs in Ontario in urging the Ontario government to ban the hunting of snapping turtles. As usual there were a number of articles in Trail & Landscape throughout the year on conservation related topics. On October 3rd there was a discussion at the Fletcher Wildlife Garden on the Ottawa Forests and Greenspace Advisory Committee. In November, the newly re-constituted Conservation Committee sought the support of Council to oppose the extension of cottage leases in Algonquin Park. A letter was sent to the Minister along these lines.

ANN MACKENZIE

Education & Publicity Committee

We have eight members on this committee, Ann Prescott, Jeewa Mendis, Susan Barker, Suzanne Deschêne, Gillian Marston, Lynn Ovendon, Mark Brechley and Fenja Brodo. Two are relatively new members (Lynn and Mark) and two (Gillian and Suzanne) are only here part of the year but give substantial assistance when they are in town.

This committee staffs our monthly table with saleable items, responds to requests for walks and talks by groups outside our Club and represents our Club at various natural history events in the Ottawa region having anything to do with natural history. Ann Prescott ably staffs our sales table. We have recently added Club lanyards (designed by Mark Brechley) with hand lenses attached that have been selling well. Mark also designed and made a colourful Club banner that can be used for both indoor and outdoor display areas.

The Science Fair was ably staffed once again by Jeff Skevington and Carolyn Callaghan.

We had our Club display set up at the following venues: Jack Pine Trail, 21 May, on our own initiative to advertise our Club; Sept 29 as participants at the Larose Forest Day; 3 November, at Mud Lake, advertising the Lac Deschênes IBA.

We filled the following requests for leaders as detailed below:

- Jane's Walk at Browns Inlet with an emphasis on water and air quality, Sunday May 6th, with lichenologist Irwin Brodo and phycologist Paul Hamilton.
 - Urban Walks: Flutterings: Night Moths and other Insects, Saturday evening June 2nd, with Diane Lepage and Fenja Brodo. (Cancelled due to bad weather).
 - Day Camp, Dempsey Community Centre, Thursday July 12th. A program on insects with Miriam Tepper and Fenja Brodo.
 - AJA 50 + Nature walk, Gatineau Park Friday, August 10th, Irwin & Fenja Brodo (Cancelled due to bad weather).
- This year there was no Wildlife Festival for us to participate in.

Excursions and Lectures Committee

Over the course of 2012, the excursions and lectures committee coordinated 42 hikes, four workshops, eight monthly meetings and the annual business meeting. The hikes and workshops covered a wide breadth of topics, including: general natural history (14), birds (13), insects (6), plants (5), amphibians (3), geology (2), mammals (1), fish (1) and fungi (1). In addition to bringing back many tried and true events and leaders, several new events were tried. New events included a Cranberry Crawl, a canoe trip to Ottawa River Duck Islands, an insect photography workshop, a larval dragonfly and damselfly outing, and eBird and insect identification workshops. Fenja Brodo coordinated our popular Pelee and Rondeau trip that was once again well attended and produced some great birding highlights. Monthly meetings continued to be held in the Museum of Nature and included talks on birds (4), insects (1), plants (1) and ecology (2). Committee members included Rob Alvo, Holly Bickerton, Fenja Brodo, Julia Cipriani, Hume Douglas and Jeff Skevington (chair). If you have any new ideas for events or would like to be a leader, please contact Jeff (jhskevington@gmail.com) or other members of the committee.

JEFF SKEVINGTON, Chair

Finance Committee

As a result of the major financial changes in the previous fiscal period, the Finance Committee now sees the benefits to the club: in improved account reporting; timely financial reports such as quarterly statements; and specific reports on request, such the CFN information by issue. This is very helpful to the Council and committees.

The Finance Committee met several times during this fiscal year to discuss several issues that were brought forward. Topics discussed were: the Chart of Accounts where accounts were modified for better reporting; a possible CFN endowment fund campaign; and the financial reporting in respect of CFN. The reporting of CFN in the financial statements was on an ongoing issue over the period with discussions at the Finance Committee meetings and with council. The OFNC consulted with its auditor on the possible solution and the club will proceed with the auditor's advice. For the next fiscal period, the direct CFN revenues will be included with the other Club revenues. CFN expenses will be shown in total with the other committee's expenses with more detail provided in a note.

The club is continuing to run a deficit. However the long term goal in respect of finances for the club is a balanced budget and the financial information for this year indicates that the OFNC has improved marginally on its financial situation. While there is a net surplus for fiscal 2011/12 some of this relates to the subscription revenue for Vol. 126 having been received while the expenses are not yet incurred since only Vol. 126(1) had been issued by fiscal year-end.

Fiscal Responsibility continues to be the objective for the Finance Committee's. With an improving financial situation, the club will be able to look toward other objectives beyond the club's normal operations. For example, the use of the club's legacy funds to undertake new projects as per the OFNC objectives to promote, conserve and appreciate Canada's natural heritage.

BARBARA CHOUINARD, Chair

Fletcher Wildlife Garden

The Fletcher Wildlife Garden has had a successful, although unusual year with much more of our effort devoted to areas other than the Backyard Garden. The Backyard Garden continued to be maintained and developed by our Friday morning volunteer group. It now has a second bench as well as a new picnic table. We were able to use the watering system during the summer so the drought had little effect there. We also purchased a new mower and a new shed to keep it and the garden tools in.

On Saturday, June 2, the annual native plant sale, featuring plants we grow ourselves and donations, raised over \$4500 despite poor weather on the day.

Control of invasive species has increased, thanks to efforts by our invasive species group as well as work by some members of the Friday morning volunteers and the Butterfly Meadow group. We were able to completely remove some larger trees and replace them with native trees and shrubs. We have put a lot of work into Dog-strangling vine (DSV) control with limited success. We are hoping the FWG might become a test site for a new biocontrol agent — a moth from the Ukraine.

In 2010, the FWG submitted a proposal to the Evergreen Foundation to turn the site into a monarch butterfly waystation and to create a smaller model waystation in the Butterfly Meadow. The proposal won second place in a competition to fund environmental improvement projects that Evergreen ran for the Fido phone company. We received the prize later in 2011 and prepared plans over the winter.

Over 3000 plants, which we grew ourselves, purchased or had grown by Budd Gardens from seeds we supplied, were planted and maintained through the summer. We have purchased a bulletin board and leaflet box for public education. It will be erected next year. An OFNC monthly meeting on monarch butterfly biology was sponsored using our waystation funds.

To engage more volunteers, we organized Sunday morning work groups, primarily to remove DSV. This attracted several students looking to fulfill community service requirements. We were also helped by several corporate groups who planted trees and shrubs in the ravine and perennials in the Butterfly Meadow and helped with DSV removal. These groups often provide funds to support the project they work on, so we derived significant income from that source. Late in the season, an environment class from Carleton U helped clear invasives and replant a birch grove.

FWG is online with a web site connected with the OFNC site, providing information on wildlife gardening and the animals and plants at the FWG. We also produced eight newsletters this year and maintained photo galleries and a blog, thanks to many volunteers.

DAVID HOBDEN,

Member of the Fletcher Wildlife Garden Committee

Macoun Field Club Committee

The Committee planned the month-to-month program by telephone and e-mail, and maintained an up-to-date schedule on its website (macounfieldclub.ca). Committee members supervised or gave presentations at 19 indoor meetings and led 17 field trips during the school year. Indoor sessions were held in the Fletcher Wildlife Garden building. Most field trips took place either at the Club's nature-study area in Ottawa's Greenbelt or on private properties in Lanark County; two were held jointly with the OFNC. The Committee presented its current Field Trip Policy and outline of field-trip practices to OFNC Council for approval, and published them in Issue no. 66 of *The Little Bear*. A 350-page compilation of all *Little Bear* articles on the Macoun Club's nature-study area was prepared and bound in hard-cover, to bring all observations, inventories, and studies across the past 42 years together in one place.

ROBERT E. LEE, Chair

Membership Committee

The distribution of the membership for 2012 on September 30, 2012 is shown in the table below, with the corresponding numbers for 2011 shown in brackets. "Others" represent, for the greatest part, affiliate organizations that receive complimentary copies of the Club's publications. The decrease in total membership of 1 is a result of new memberships essentially balancing non-renewing members. Local membership (within 50 km of Parliament Hill) increased to 633 from 621 in 2012 and 2011, respectively. In keeping with the continuing trend in decreasing membership outside the 50 km Ottawa area.

HENRY STEGER, Chair

	CANADIAN		USA		OTHER		TOTAL	
	2012	2011	2012	2011	2012	2011	2012	2011
Individual	351	(361)	13	(13)	0	(0)	364	(374)
Family	285	(282)	1	(1)	1	(1)	287	(284)
Student*	10		0		0		10	
T and L	3	(2)	0	(0)	0	(0)	2	(2)
Honorary	21	(24)	0	(0)	0	(0)	21	(24)
Life	47	(48)	3	(4)	1	(1)	51	(54)
Other	23	(23)	0	(0)	1	(1)	24	(24)
TOTAL	740	(740)	17	(18)	3	(3)	760	(761)

*Student Membership was initiated in Year 2012 and is intended to encourage interest in natural history among high school and university students.

Publications Committee

The Publications Committee, consisting of Carolyn Callaghan, Paul Catling, Jay Fitzsimmons, Sandra Garland, Tony Gaston, Karen McLachlan Hamilton, Elizabeth Morton, Frank Pope and Jeff Saarela (and Dan Brunton, Chair), met formally three times through the year to discuss a wide variety of issues and to provide advice and information to both the OFNC Council and to the editorial teams who actually do the majority of this work. One of these meetings was held at the west Quebec home of Canadian Field-Naturalist Editor-in-Chief Callaghan. Business was conducted only after we'd enjoyed a hearty meal and a productive ramble in woodlands and fields that turned up several rare natural history observations. We are all naturalists, after all. Other issues were dealt with periodically through individual conversations or by electronic communications.

If the biggest publication challenges for 2011 were to survive the transition of The Canadian Field-Naturalist to a predominantly digital format and getting closer to a regular release schedule, the main challenges for 2012 were to sustain that momentum and to make plans for the long-term security of the journal. A great deal has been achieved towards satisfying those goals.

Five issues of The Canadian Field-Naturalist were published in 2012 (125(2) through to 126(2)), with a sixth issue, 126(3) being virtually ready to go by the end of the year. This gratifying rate of production is a credit to Carolyn Callaghan and her production team and has largely eliminated the lag in the publication schedule that we have been battling aggressively. This more current status is also positively reflected by a 20% increase in submitted manuscripts in 2012, by papers with increasingly contemporary subject matter, and by the reduced time span between the receipt and approval of manuscripts. The more frequent use of colour images continues to enhance the appearance of journal contributions.

A clearer understanding of the impact of digital publication on circulation patterns is emerging. A substantial majority of individual and institutional subscribers, 70% of the 460 subscribers, paid the additional cost to receive hard copies of The Canadian Field-Naturalist in 2012. Approximately 15% of the 700 OFNC members chose to do likewise, a large majority apparently satisfied to receive The Canadian Field-Naturalist in digital form only. While the financial benefits of digital publication are still difficult to quantify as we continue to bring the publication back up to a regular schedule, improvements are evident. The allocation required to balance the 2012 operational deficit, for example, amounted to 24% of 2011-12 membership income. That is considerable less than the 40% of membership fee income traditionally (1972-2007)

allocated as Canadian Field-Naturalist income. And it is hugely less than the 78% of 2010-11 membership income allocated to balance Canadian Field-Naturalist costs that year. Even allowing for the greater number of issues published in 2010-11, it is clear that significant progress is being made in improving the financial balance of the journal.

Editor Karen McLachlan Hamilton and her team produced the usual four issues of Trail & Landscape in a timely and efficiently manner this year. This constitutes another in their continuing series of remarkably problem free contributions to both our knowledge of the local landscape and to our enjoyment of it. An initiative to scan and post the back issues of Trail & Landscape on-line was begun in 2012.

The publications team enters 2013 with optimism gained from the successes of the past year. Both editorial teams are intact and stable. The Canadian Field-Naturalist will be completely back on schedule in the coming year. Financial benefits should be even clearer. Journal Manager Jay Fitzsimmons has done a masterful job ensuring that the complicated gears of The Canadian Field-Naturalist production and distribution machinery are turning smoothly. We also expect to be announcing firm ideas for a Canadian Field Naturalist endowment fund and perhaps news of up-coming Special Issues.

We encourage members and subscribers to continue to support the OFNC's remarkable publications program into its 134th year. Individuals can do this through their readership of the publications and, very importantly, through the submission of original material. Our thanks to all those who contributed to the success of this past year.

DANIEL F. BRUNTON, Chair



Canadian Field-Naturalist Editor in Chief Carolyn Callaghan (pointing), Journal Business Manager Jay Fitzsimmons (with his son Reed) and other members and friends of the Publications Committee afield in west Quebec (October 2012).

Treasurer

I assumed the duty of Treasurer at the January, 2012 Annual Business meeting. My predecessor, Frank Pope, provided and continues to provide invaluable advice and support. I would also like to thank Yi Zhang, who also greatly eased my learning curve as Treasurer's Assistant until June 2012. There were some new initiatives this year.

1. The desirability of obtaining Directors' and Officers' Insurance was investigated. Council decided to apply for this additional coverage for 2013. The cost is estimated at about \$660 plus tax.
2. The classification of revenues and expenses in our financial records has been reviewed in order to improve Council's ability to manage the financial affairs of the Club, and member's knowledge of Club finances. This is an ongoing task. For example,
 - a) Telephones used for the Bird Hotline and the Fletcher Wildlife Garden volunteers are now charged against the budgets of the Birds and FWG Committees;
 - b) Activities such as the Pelee trip whose revenues and expenses were previously reported on a net basis in the Operating Statement now show revenues and expenses separately.
3. Expense authorization procedures were adjusted to reflect the actual practices of the Club.

Most of the Treasurer's duties continue from one year to the next. They include:

- Filing the Charities Information Report with the Canada Revenue Agency;
- Preparing T4A returns for people receiving honoraria or contract fees from the Club;
- Obtaining Proof of Insurance certificates for Club events;
- Updating the Club's information with our bank, the Canadian Imperial Bank of Commerce, our investment advisor, BMO Burns Nesbitt, and our online payments processor, PayPal;
- Updating the Chart of Accounts; and
- Depositing cheques received and writing cheques to pay expenses.

Ultimately, the Treasurer is responsible for ensuring that the annual financial statements of the Club are available for the Annual Business Meeting. Fortunately, I did not have to do this by myself.

I would like to thank the President, Ann MacKenzie who ensured that our investments were correctly represented, and in general that the financial statements were coherent. Our reviewers, Mark Patry and Eric Liebmann of Welch LLP were very patient and thorough in their work. I sincerely thank Ann, Mark and Eric for easing the transition of a new Treasurer.

KEN YOUNG

Review Engagement Report

To The Members of THE OTTAWA FIELD-NATURALISTS' CLUB

We have reviewed the statements of financial position of the The Ottawa Field-Naturalists' Club as at September 30, 2012, September 30, 2011 and October 1, 2010, and the statements of operations, changes in fund balances and cash flows for the years ended September 30, 2012 and September 30, 2011. Our 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 us by the club.

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

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

**CHARTERED ACCOUNTANTS
Licensed Public Accountants**

Welch LLP

Ottawa, Ontario
December 17, 2012

**The Ottawa Field-Naturalists' Club
Statement of Financial Position
September 30, 2012, September 30, 2011 and October 1, 2010**

	Sept. 30, 2012	Sept. 30, 2011	Oct. 1, 2010
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents (note 5)	\$ 156,201	\$ 201,906	\$ 78,103
Short-term investments (note 5)	43,817	-	98,954
Accounts receivable	16,138	33,482	2,388
Prepaid expenses	1,403	290	1,935
	<u>217,559</u>	<u>235,678</u>	<u>181,380</u>
Long-Term Investments (Note 5)	<u>386,170</u>	<u>340,074</u>	<u>351,552</u>
Land	<u>-</u>	<u>-</u>	<u>3,348</u>
	<u>\$ 603,729</u>	<u>\$ 575,752</u>	<u>\$ 536,280</u>
LIABILITIES AND FUND BALANCES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	\$ 2,283	\$ 13,611	\$ 4,478
Deferred revenue	21,239	13,721	10,438
	<u>23,522</u>	<u>27,332</u>	<u>14,916</u>
LIFE MEMBERSHIPS (note 6)	<u>1,240</u>	<u>3,360</u>	<u>5,480</u>
FUND BALANCES			
General fund	303,378	272,458	276,297
Endowment fund	35,900	35,268	-
Internally restricted funds	239,689	237,334	239,587
	<u>578,967</u>	<u>545,060</u>	<u>515,884</u>
	<u>\$ 603,729</u>	<u>\$ 575,752</u>	<u>\$ 536,280</u>

Approved by Council:

..... President

..... Treasurer

(See accompanying notes)
PREPARED WITHOUT AUDIT

**The Ottawa Field-Naturalists' Club
Statement Of Operations and Changes in Fund Balance
– General Fund
Years Ended September 30, 2012 And 2011**

	2012	2011
REVENUES		
Membership fees	\$ 30,308	\$ 32,412
Donations and bequests	21,954	18,190
The Canadian Field–Naturalist		
– subscription revenue	32,463	25,291
– author charges	27,984	44,040
Fletcher Wildlife Garden	5,684	5,055
Interest income	12,465	8,572
Pelee Trip	14,375	–
Other	680	1,370
	<u>145,913</u>	<u>134,930</u>
EXPENSES		
OPERATING:		
Affiliation fees	225	225
Bookkeeping	6,525	7,353
Courier and postage	319	1,083
Insurance	782	580
Interest and bank charges	1,471	652
Membership	1,347	1,286
Professional fees	2,000	2,000
Website	710	3,300
General and miscellaneous	2,697	6,859
	<u>16,076</u>	<u>23,338</u>
ACTIVITY:		
The Canadian Field–Naturalist	52,758	92,868
Fletcher Wildlife Garden	19,012	9,945
Awards committee	372	858
Soiree – net	(184)	–
Birds Committee	971	739
Donations	5,000	3,348
Education and publicity	381	328
Excursions and lectures	1,445	115
Macoun Club	555	–
Pelee Trip	11,049	–
Trail and Landscape	7,558	7,230
	<u>98,917</u>	<u>115,431</u>
TOTAL EXPENSES	<u>114,993</u>	<u>138,769</u>
NET REVENUES (EXPENSES)	30,920	(3,839)
FUND BALANCE, BEGINNING OF YEAR	<u>272,458</u>	<u>276,297</u>
FUND BALANCE, END OF YEAR	<u>\$303,378</u>	<u>\$272,458</u>

**The Ottawa Field-Naturalists' Club
Statement of Operations and Changes in Fund Balance –
Endowment Fund
Years Ended September 30, 2012 and 2011**

	2012	2011
Revenues		
Interest	\$ 1,263	\$ 535
Fund Balance, Beginning of Year	<u>35,268</u>	<u>–</u>
	36,531	535
Other		
Endowment contribution	–	35,000
Inter-fund transfer	(631)	(267)
Fund Balance, End of Year	<u>\$ 35,900</u>	<u>\$ 35,268</u>

* half of the interested generated by the fund annually is transferred to the Macoun Fund (see statement of operations and changes in fund balances – internally restricted funds).

* the prior years closing fund balance has been reduced from \$36,989 to \$35,268 to derecognize unrealized gains of \$1,721 previously recorded under CGAAP (note 2).

**The Ottawa Field-Naturalists' Club
Statement of Cash Flows
Years Ended September 30, 2012 and 2011**

	2012	2011
Cash Flows from Operating Activities		
Net revenues (expenses) – all funds	\$ 33,907	\$ (5,824)
Adjustments for:		
Accounts receivable	17,345	(31,094)
Investments	(15,956)	(8,340)
Prepaid expenses	(1,113)	1,645
Accounts payable and accrued liabilities	(11,329)	9,133
Deferred revenues	7,518	3,283
Life memberships	(2,120)	(2,120)
	<u>28,252</u>	<u>(33,317)</u>
Cash Flows from Investing Activities		
Purchase of investments	(120,000)	(25,000)
Proceeds from maturity of investments	46,043	147,120
	<u>(73,957)</u>	<u>122,120</u>
Cash Flows from Financing Activities		
Endowment contribution	–	35,000
Increase (Decrease) in Cash and Cash Equivalents	(45,705)	123,803
Cash and Cash Equivalents at Beginning of Year	<u>201,906</u>	<u>78,103</u>
Cash and Cash Equivalents at End of Year	<u>\$ 156,201</u>	<u>\$ 201,906</u>

Note: Cash equivalents include fixed income investments maturing within three months

(See accompanying notes)

PREPARED WITHOUT AUDIT

The Ottawa Field-Naturalists' Club
Statement of Operations and Changes in Fund Balances – Internally Restricted Funds
Years Ended September 30, 2012 And 2011

	General Reserve for Contingencies	Manning Fund	Seedathon Fund	Anne Hanes Memorial Fund	De Kiriline Lawrence Fund	Macoun Fund	2012 Total	2011 Total
Revenues								
Donations	–	–	\$ 1,500	–	–	\$ 2,000	\$ 3,500	\$ 1,252
Interest	–	5,532	–	–	–	–	5,532	2,166
	–	5,532	1,500	–	–	2,000	9,032	3,418
Expenses								
CFN author support	–	6,051	–	–	–	–	6,051	4,147
Donations	–	–	–	–	–	313	313	1,035
Seed	–	–	944	–	–	–	944	722
Other	–	–	–	–	–	–	–	34
	–	6,051	944	–	–	313	7,308	5,938
Net Revenues (Expenses)	–	(519)	556	–	–	1,687	1,724	(2,520)
Fund Balances,								
Beginning of Year	100,000	120,322	232	596	13,384	2,800	237,334	239,587
	100,000	119,803	788	596	13,384	4,487	239,058	237,067
Other								
Inter-fund transfer	–	–	–	–	–	631	631	267
Fund Balances, End of Year	<u>\$100,000</u>	<u>\$119,803</u>	<u>* \$788</u>	<u>\$596</u>	<u>\$13,384</u>	<u>\$5,118</u>	<u>\$239,689</u>	<u>\$237,334</u>

* includes principal of \$100,000 plus undistributed income of \$19,803

(See accompanying notes)

PREPARED WITHOUT AUDIT

The Ottawa Field-Naturalists' Club
Notes to the Financial Statements
Year Ended September 30, 2012 and 2011

1. Purpose of Organization and Tax Status

The Canadian Field-Naturalists' Club (the "Club") is a registered charitable organization incorporated under the Corporations Act of the Province of Ontario. The Club promotes the appreciation, preservation, and conservation of Canada's natural heritage, encourages the investigation, publishes the results of research in all fields of natural history, and diffuses the information to the public and supports and cooperates with other organizations engaged in preserving, maintaining and restoring environments of high quality for living things.

The Club is a registered charity, and is exempt from income taxes by virtue of section 149(1)(f) of the Income Tax Act (Canada).

2. Adoption of Accounting Standards for Not-for-profit Organizations

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPFO).

These are the club's first set of financial statements prepared in accordance with ASNFPFO. The club previously presented financial statements under Canadian generally accepted accounting principles (CGAAP) annually to September 30 of each fiscal year up to, and including September 30, 2011.

As these financial statements are the first financial statements for which the club has applied ASNFPFO, the financial statements have been prepared in accordance with the provisions set out in Section 1501 *first-time adoption by not-for-profit organizations*. Accordingly, the club has applied ASNFPFO retroactively to all comparative financial statements presented and included an opening statement of financial position at October 1, 2010 (the date of transition).

Section 1501 provides organizations with certain elective exemptions to the principle that an organization's opening statement of financial position shall comply with ASNFPFO. The club has not elected to use any of the available exemptions.

The adoption of ASNFPFO results in adjustments to the previously reported assets, liabilities and fund balances of the club. The effect of adopting ASNFPFO retroactively to the opening statement of financial position as at October 1, 2010 (the date of transition) is as follows:

		CGAAP	Transition	ASNFPFO
Assets				
Investments	(a)	\$ 462,080	\$ (11,574)	\$ 450,506
Other assets		85,774	—	85,774
		<u>\$ 547,854</u>	<u>\$ (11,574)</u>	<u>\$ 536,280</u>
Liabilities and fund balances				
Current liabilities		\$ 14,916	\$ —	\$ 14,916
Life memberships		5,480	—	5,480
General fund	(b)	280,770	(4,473)	276,297
Internally restricted funds	(c)	246,688	(7,101)	239,587
		<u>\$ 547,854</u>	<u>\$ (11,574)</u>	<u>\$ 536,280</u>

2. Adoption of Accounting Standards for Not-for-profit Organizations— Cont'd.

(a) Under the requirements of Section 3856, <i>Financial Instruments</i> , the club will subsequently measure its investments at amortized cost unless the investments are an equity instrument that is quoted in an active market or a qualified derivative contract. Previously, the club was prohibited from recording its fixed income securities at amortized cost and had designated them as available-for-sale assets (fair value measurement). Unrealized gains and losses due to changes in fair value were previously recognized in the changes of financial position.	(b) General fund as at October 1, 2010, previously	\$ 280,770
	Adjustment for investments (a)	<u>(4,473)</u>
	General fund as at October 1, 2010 under ASNFPFO	<u>\$ 276,297</u>
	(c) Internally restricted funds as at October 1, 2010, previously	\$ 246,688
	Adjustment for investments (a)	<u>(7,101)</u>
	Internally restricted funds as at October 1, 2010 under ASNFPFO	<u>\$ 239,587</u>

The adjustment to the internally restricted funds affected the Manning Fund only. There were no adjustments required to any of the other internally restricted funds due to the above changes.

There were no changes to the organization's previously reported statement of operations or cash flows from operating, investing or financing activities as a result of the above changes.

3. Significant Accounting Policies

Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue recognition

The club records revenue in accordance with the deferral method of accounting.

Membership fees are recorded as revenue in the general fund proportionately over the fiscal year to which they relate. The club's membership year coincides with the calendar year, so a proportionate share of the membership fees received are deferred until the end of the calendar year to which they relate.

Subscription revenue is recorded as revenue in the general fund at the time of shipment of the related publication. Subscription revenue received in advance of shipment is recorded as deferred subscription revenue.

Unrestricted contributions are recorded as revenue in the general fund when they are received. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Endowment contributions are recognized as direct increases in fund balances.

Interest income comprises of interest from cash and cash equivalents and investments. Interest on cash equivalents and investments is recognized over their term using the effective interest method.

Fund accounting

The Club maintains its accounts in accordance with the principles of fund accounting. Resources are classified for accounting and reporting purposes into funds according to the activity or object specified.

The General Fund accounts for the Club's program delivery and administration activities.

The Endowment Fund was established by the family and friends of Martha Camfield to help continue her efforts to have children study, understand, respect and preserve their natural environment. Half of the interest generated is re-invested in the capital of the fund while the other half of the interest generated is made available only for the use by the Macoun Field Club (the Macoun Fund).

The General Reserve For Contingencies was established by the Club to fund outstanding operating expenses should the Club discontinue its operations.

The Manning fund was established by a bequest, and the interest generated is used to assist authors to publish articles in the Canadian Field Naturalist.

The Seedathon fund collects donations from the annual bird sighting event and purchases seed for the Club's bird feeders.

The Anne Hanes Memorial fund was raised in memory of Anne Hanes, the founding editor of Trail and Landscape, and is used to finance the annual winners of the Anne Hanes Natural History Award.

The de Kiriline-Lawrence fund was funded by a bequest from the popular author of nature books, and is supplemented by annual donations and used to support conservation efforts.

The Macoun Baille Birdathon fund recognizes the donations and pledges based upon the number of bird sightings in the one day birdathon sponsored by Bird Studies Canada, and is used to support the Macoun Field Club, a youth club.

Financial Instruments

The club's cash is measured at fair value. All other financial instruments are measured at amortized cost.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and highly liquid investments. Cash equivalents consist of fixed income investments maturing within three months.

Capital assets

Capital assets are expensed in the year of acquisition.

Contributed services

The Club relies on contributed human resources in order to carry out its activities. As there is difficulty in determining the fair value of contributed services, they are not recognized in the financial statements.

Use of estimates

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

4. Financial Instruments

The club's financial instruments are subject to the following risks:

a) *Credit risk*

The club is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party, or if there is a concentration of financial obligations which have similar economic characteristics, that could be similarly affected by changes in economic conditions, such that the club could incur a financial loss. The club does not hold directly any collateral as security for financial obligations of counterparties.

The club's maximum exposure to credit risk represents the carrying value of its cash, accounts receivable and investments, totalling \$602,326 (2011 – \$575,462).

The club's cash is deposited with Canadian financial institutions, as a result management believes the risk of loss on cash to be remote. The cash equivalents and investments consist primarily of government bonds and guaranteed investment certificates of Canadian financial institutions of high credit quality. Possible changes to the credit quality of these securities exposes the club to credit risk. The club manages its exposure to this risk by holding a diversified portfolio with varied maturities. The club reduces its exposure to credit

risk on its accounts receivable by reviewing the accounts on a regular basis, following up on outstanding amounts and creating an allowance for doubtful accounts when applicable.

No allowance for impairment has been recorded on any of the items subject to credit risk.

b) *Liquidity risk*

Liquidity risk is the risk that the club cannot meet its debts when they become due. Liquidity risk also includes the risk of the club not being able to liquidate assets in a timely manner at a reasonable price.

The club meets its liquidity requirements by monitoring its expected future cash flow requirements and holding a significant amount of assets that can be readily converted into cash.

c) *Market risk*

Market risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

d) *Currency risk*

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

Approximately \$14,000 (2011 – \$5,000) of club's cash and cash equivalents are denominated in U.S. currency. However, the club primarily transacts in Canadian dol-

ars. As a result, management does not believe it is exposed to significant currency risk.

e) *Interest rate risk*

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with those instruments will fluctuate due to changes in market interest rates. The exposure of the club to interest rate risk arises from its interest bearing assets.

The club's cash includes amounts on deposit with Canadian financial institutions that earn interest at market rates. Fluctuations in market rates of interest on cash do not have a significant impact on the club's financial operations.

The club manages the interest rate risk of its cash equivalents and investments by using a laddered portfolio with varying terms to maturity. The laddered structure of maturities helps to enhance the average portfolio yield while reducing the sensitivity of the portfolio to the impact of interest rate fluctuations.

f) *Other price risk*

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The club is not exposed to other price risk.

5. Investments And Cash Equivalents

Cash equivalents are comprised of:

	2012		2011
	Market Value	Amortized Cost	Amortized Cost
Cash in accounts – at fair value	\$ 88,792	\$ 88,793	\$ 136,624
Canadian Western Bank – 4.41% due October 9, 2012	30,870	30,872	–
CIBC GIC – 1.4% due October 12, 2012	21,284	21,284	–
Ontario – 4.64% due December 2, 2012	15,346	15,252	–
Newfoundland – 4.58% due October 17, 2011	–	–	44,548
CIBC GIC – 1.4% due October 3, 2011	–	–	20,734
	<u>\$ 156,292</u>	<u>\$ 156,201</u>	<u>\$ 201,906</u>

Short-term investments are comprised of:

	2012		2011
	Market Value	Amortized Cost	Amortized Cost
Manitoba – 4.75% due September 2, 2013	\$ 45,235	\$ 43,817	\$ –

Long-term investments are comprised of:

	2012		2011
	Market Value	Amortized Cost	Amortized Cost
Canadian Western Bank – 4.41% due October 9, 2012	\$ –	\$ –	\$ 28,344
Ontario – 4.64% due December 2, 2012	–	–	14,575
Manitoba – 4.75% due September 2, 2013	–	–	41,830
CIBC – 4.19% due October 31, 2014	67,827	65,056	62,440
New Brunswick – 4.30% due December 3, 2015	65,003	60,850	61,117
Ontario Hydro – 4.01% due November 26, 2016	23,160	25,054	24,088
Ontario – 4.07% due December 2, 2017	51,572	46,687	44,861
Ontario – 2.58% due December 2, 2018	62,398	61,280	–
British Columbia – 3.74% due March 5, 2019	29,021	26,491	25,536
Newfoundland – 4.36% due January 7, 2020	43,771	38,908	37,283
British Columbia – 3.26% due August 23, 2021	63,945	61,844	–
	<u>\$ 406,697</u>	<u>\$ 386,170</u>	<u>\$ 340,074</u>

6. Commitments

Rent

The Club is committed to rent a room at the Canadian Museum of Nature which the club intends to use to conduct monthly meetings until June 2013. The cost is expected to be for \$200 per month plus applicable sales taxes. The room is not scheduled to be rented in the month of January 2013.

Life memberships

The Club is committed to provide for regular membership benefits to lifetime members. Since it is not practicable to determine the total liability associated with providing these benefits for the rest of the lives of these individuals, the annual costs are expensed as incurred. Lifetime memberships are no longer being offered by the Club. As of September 30, 2012, there were 51 (2011 – 53) active lifetime members.

Fletcher Wildlife Garden

The Club is committed to maintaining a 13-acre property known as the Fletcher Wildlife Garden until March 31, 2014. The costs associated with maintaining the property are approximately 2,000 hours of contributed human resources per year. As the fair value of contributed human resources are not recognized in the financial statements, the corresponding costs are also not recognized as part of the Fletcher Wildlife Garden expenses in the statement of operations of the General Fund. The Club incurs those expenses over and above the Club's service requirements under the agreement.

7. COMPARATIVE FIGURES

Certain comparative figures have been reclassified where necessary to conform to the presentation adopted in the current year. The October 1, 2010 figures were reviewed by another accountant.