

Minutes of the 125th Annual Business Meeting of The Ottawa Field-Naturalists' Club 13 January 2004

Place and time: Canadian Museum of Nature, Ottawa, Ontario, 7:30 p.m.

Chairperson: Garry McNulty, President

Attendance: Thirty-five persons attended the meeting.

Attendees spent the first half-hour reviewing the minutes of the previous meeting, the Treasurer's Report and the Report of Council. The meeting was called to order at 7:35 p.m. with some opening remarks from Gary McNulty, the President.

1. Minutes of the Previous Meeting

There were no changes to the minutes of the 124th Annual Business Meeting.

It was moved by Fenja Brodo/David Hobden that the minutes be accepted.

(Motion Carried)

2. Business Arising from the Minutes

Garry McNulty inquired whether we were still receiving the annual reports for the Trinidad and Tobago Naturalists' Club. Frank Pope reported that we were receiving their annual reports along with their newsletters.

The Soiree was revamped last year. Changes were made to the venue and entertainment was included in the course of the evening. Fenja Brodo, the new chair of the Excursions and Lectures Committee, will be working with the Education and Publicity Committee to continue the process of making the Soiree an evening that members will not want to miss.

3. Communications Relating to the Annual Business Meeting

There were no communications relating to the Annual Business Meeting.

4. Treasurer's Report

Frank Pope reviewed the financial report for the year ending September 30, 2003, noting that the Club's net assets had decreased by approximately \$60,000. This was due in large part to the contribution of \$55,000 to the Alfred Bog Fund.

Moved by Frank Pope and seconded by Roy John that the Financial Report be accepted.

(Motion Carried)

5. Committee Reports

Gary McNulty introduced each of the Committee reports and a representative of the appropriate Committee and asked for questions and comments. He thanked the committee chairs and committee members for their work over the past year.

Moved by Mike Murphy/Eleanor Zurbrigg, that the reports be accepted.

(Motion Carried)

6. Nomination of the Auditor

Moved by Frank Pope, seconded by Bill Cody, that Janet Gehr continue as Auditor for another year.

(Motion Carried)

7. Report of the Nominating Committee

President	Mike Murphy
Vice President	Gillian Marston
Secretary	Susan Laurie Bourque
Treasurer	Frank Pope
Past President	Gary McNulty
Business Manager	Bill Cody
Editor CFN	Francis Cook
Editor T&L	Karen McLachlan Hamilton

Committee Chairs

Birds	Chris Traynor
Computers	
Conservation	Stan Rosenbaum
E&P	John Cameron
E&L	Fenja Brodo
Finance	Louise Schwartz
FWG	David Hobden
Macoun rep	Barbara Gaertner
Membership	Dave Smythe
Publications	Ron Bedford
FON Rep	Cendrine Huemer

Members at large

Kathy Conlan
Diane Lepage
Barbara Gaertner
Christine Lewis
Henry Steger

Chairs not on Council

Awards	Ernie Brodo
Macoun	Rob Lee
Nominations	Fenja Brodo

Retiring from the Council: Charles Clifford, Roy John, Marcel Gahbauer, Eleanor Zurbrigg

New on the Council: Christina Lewis, Henry Steger

Moved by Fenja Brodo, seconded by Frank Pope, that the slate of nominations for the 2004 Council be accepted.

(Motion Carried)

8. New Business

There was no new business.

9. Presentation by David Hobden, "FWG and its Rise to Fame"

David Hobden presented an enjoyable and informative digital photographic presentation created by Henry Steger and

David Hobden. The presentation touched on the development and flora and fauna of the Fletcher Wildlife Garden. The digital format successfully combined prints, slides and digital pictures. It was very well received.

10. Adjournment

Fenja Brodo made an announcement about the upcoming 4th Annual Great Backdoor Bird Count.

Moved by Fenja Brodo/David Hobden that the meeting be adjourned at 9:15 pm. (Motion Carried)

SUSAN LAURIE-BOURQUE, Recording Secretary

The Ottawa Field-Naturalists' Club Committee Reports for 2003

Awards Committee

The Awards Committee met in January to consider nominations made for the various OFNC Awards. As a result of our deliberations, the following four awards for the year 2002 were presented at the OFNC's Annual Soirée, which took place 26 April 2003 at St. Basil's Church in Ottawa.

MEMBER OF THE YEAR:

Bill Royds: For his many contributions to the Club's conservation efforts, especially during this last year as the link between the OFNC and the Greenspace Alliance of Canada's Capital (GACC).

GEORGE MCGEE SERVICE AWARD:

David Hobden: For his active participation in the Conservation Committee and his enthusiastic, productive work on the Fletcher Wildlife Garden Committee.

CONSERVATION AWARD – MEMBER:

Philip Fry: For establishing and maintaining the "Old Field Garden" near Oxford Mills as a model for habitat restoration and wildflower gardening.

CONSERVATION AWARD – NON-MEMBER:

Michèle André-St. Cyr: For her relentless work in preventing the death of turtles along the highways of southern Ontario by the establishment of "Turtle Crossing" signs, and for her active and successful efforts in educating the public about turtles.

I. BRODO

Birds Committee

The Birds Committee participated jointly with the Club des Ornithologues de l'Outaouais to run a successful Christmas Bird Count in December 2002. The fall bird count was held again in October 2003 and continues to grow in popularity. We were again active in the Peregrine Falcon Watch at the downtown nest site. One female was successfully fledged. The Bird Record Sub-committee continues to review records of rare birds and is currently compiling a lengthy database of Ottawa bird records. The Bird Record Sub-committee also finished publication of the new Ottawa District Bird Checklist 2002. The checklist is available in many Ottawa nature stores. The third year of surveying for the Ontario Breeding Bird Atlas (Region 24) has been completed. There are plans to add five more under-surveyed squares from an adjacent region for the 2004 season. This year's seed-a-thon raised close to \$400.00 for the club's bird feeders. We continue to operate the rare bird alert and the Ottawa bird status line, a recorded telephone message of current bird sightings. Some members of the Committee participated in the Taverner Cup competition

C. TRAYNOR

Computer Management Committee

This year, the Committee reviewed and revised their Terms of Reference and the revisions were approved by the Council.

It also reviewed the state of the Club's Membership Database System application. Upon a recommendation by the Computer Management Committee, the Council approved the acquisition of Microsoft Access as the Club's data entry and database management technology. This product provides a relational database engine with VisualBasic language support for applications development. The Membership Database application will be redeveloped using Microsoft Access during 2004.

M. MURPHY

Conservation Committee

Since November 2002 the CC has been assisting local residents calling themselves Larose Defense Fund/Fond de défense Larose with opposition to a proposed zoning change within part of the forest. We expressed support for the preservation of francophone heritage at other locations. The Club contributed \$1000 towards the Fund's legal costs at an OMB hearing.

In cooperation with the Greenspace Alliance of Canada's Capital, the CC appeared at City Planning and Development Committee in regard to the 3rd draft of the Official Plan. Some improvements were secured.

We helped the FON to hold this workshop at the Museum of Nature in Ottawa.

Several Club members reviewed the City's list of areas to be studied and suggested additional areas. Adrienne Sinclair of the CC was appointed to the Public Advisory Committee.

What in the 1970s the OFNC called the South Gloucester Conservation Area gradually became a quarry, but the 177 City-owned acres were known to support uncommon plant species. Despite intervention by the CC and the Greenspace Alliance, the City voted to sell this land to the quarry owner for \$1.7M, but imposed requirements for environmental assessment, and assigned the sale revenue to a natural land acquisition fund.

S. ROSENBAUM

Education And Publicity Committee

The committee organized and managed OFNC participation in three major public events: the Ottawa Teachers Federation professional development day, the Carlingwood Wildlife Festival and Health Canada's celebration of Environment Week. The Wildlife Festival was the largest and most successful in attracting public interest. Twenty OFNC volunteers and five Macoun members assisted with this event.

A demonstration of bird songs using tapes and slides was provided as a pre-concert activity for the Young Peoples Concert Series at the NAC, April 26.

The Ottawa Field-Naturalists' Club presented three Natural History Awards of \$50.00 each plus an OFNC membership at the Ottawa Regional Science Fair. The judges were Kathy Conlan and Susan Laurie-Bourque.

A French version of the club brochure was prepared and production begun at year's end.

The sales table at the club's evening presentations at the Canadian Museum of Nature provided revenue of \$400.

J. CAMERON

Excursions And Lectures Committee

In 2003 this Committee arranged 38 events and nine monthly meetings including the ABM and the Soirée. Seven general interest excursions were offered to Club members. The Birds Committee ran 12 birding excursions, three bird counts as well as assisted with The Taverner Cup. Two of our monthly meetings were also devoted to birds. There were six botanical excursions or workshops and two mushroom activities. Insects were the subject of one excursion and two of our monthly meetings. Other excursions were for mudpuppies, astronomy and a museum visit. Workshops were also given on geology and on digital cameras. Two of our monthly meetings were devoted to conservation matters and one introduced us to polar environments.

The monthly meetings drew about 50 people on average. Excursions and workshops are designed for a smaller number of participants. This year we asked leaders to have participants sign a waiver form. The form is primarily designed to inform participants about liability but it provides a record of attendance.

F. BRODO

Executive Committee

The Executive Committee met in October to review several items that required responses and/or action plans. As a result of that meeting, action plans have been put in place to address the following issues in 2004:

- (1) review of electronic publication possibilities
- (2) digital photo archives
- (3) how to retain new members
- (4) system to record names and number of persons participating in club excursions and activities.

The Committee also reviewed the club's liability insurance, its role in the Taverner Cup, the issue of attracting volunteers and it put in place a succession planning exercise and a system to review and report on the publications of other nature clubs. These matters require further action in 2004 but should be completed by year end.

G. MCNULTY

Finance Committee

The Finance Committee met three times in calendar year 2003. The following items are highlighted: – a review of existing and proposed honoraria was undertaken. No changes to the current structure were recommended to Council.

- the committee recommended to Council that the Alfred Bog Fund be topped up by \$4,000 from the de Kiriline Lawrence Fund, bringing the total OFNC contribution to \$59,000.
- options for replacement accounting software were assessed but no decision was taken.
- a review of membership fees for 2004 was carried out, and the Committee recommended to Council that the fees not be raised for the upcoming year. However, given the expected year-end deficit, this issue will need serious consideration next year.
- a budget for fiscal year 2003-04 was tabled and approved at Council in the fall, showing a small projected deficit.
- other items such as the RoweCom bankruptcy, liability and directors' insurance, and Taverner Cup funding were discussed.

L. SCHWARTZ

Fletcher Wildlife Garden

Volunteers contributed over 3000 hours, mainly on Friday or Sunday mornings. Their work is particularly noticeable in the Backyard Garden. The Management Committee met eleven times during the year.

The big achievement for the year was the production of an agreement with Agriculture and Agri-Food Canada for use of the site and occupation of the building. Negotiations were completed in the summer and the agreement finally signed in November. It is to run until April 2006. We wish to thank Frank Pope for handling legal and insurance issues and the final signing.

During the year we held a public event for International Migratory Bird Day in May and our best plant sale ever in June thanks to Algonquin College and our own volunteers.

Our traveling display was seen at Seedy Saturday, The Wildlife Festival, Environment Day at Health Canada, an Invasive Species Workshop at the Museum of Nature and at the OFNC Soiree.

This year we had a part-time summer employee, since we did not obtain a grant to support the position as we had in previous years. She dealt with visitors, kept the Interpretation Centre open and worked mainly on invasive plant control, supplementing the work of a group of volunteers.

The Interpretation Centre was opened by volunteers on Sunday afternoons through the summer. Located there is a small library, including a complete collection of the Canadian Field-Naturalist, and two stereo microscopes for examining small specimens. The Centre was used for meetings by OFNC Council and four committees and for workshops.

D. HOBDEN

Macoun Field Club Committee

The committee met just once, to plan the start-up of the Macoun Club year; much of the work of organizing the program from month to month was done over the telephone and by e-mail. Some committee members arranged for speakers each week and supervised the meetings, while others led field trips twice a month. Some also led the high-school-age members on camping trips at Christmas and in June.

Through this program, the children and teenagers of the Macoun Club were introduced to local geology, lichens, plant biology, insects, and wildlife (both Canadian and exotic). Field trips gave members hands-on experience in identifying trees and animal tracks, and allowed them to take part in the Club's ongoing research on butternut canker disease, lichen biodiversity, and porcupine populations.

The monthly newsletter and the annually produced *Little Bear* magazine were both prepared by the young people themselves, while the Club's web site was maintained jointly with Committee members. Individual Macoun Club members presented natural science projects at the OFNC Soirée in April, and the Club's executive recounted the group's activities for the OFNC members assembled there.

R. LEE

Membership Committee

The distribution of memberships for 2003 is shown in the table (below), with the comparable numbers for 2002 in brackets. These statistics do not include the 23 affiliate organizations which receive free copies of the Club's publications.

This year, the Club lost a long time member and valuable contributor to the production of the Canadian Field-Naturalist (CFN), with the death of Dr. Wilson Eedy, member since 1970 and Book-Review Editor of the CFN for many years.

D. SMYTHE

Distribution of Memberships in The Ottawa Field-Naturalists' Club

Type	CANADIAN				FOREIGN				Total	
	Local		Other		USA		Other			
Family	317	(340)	23	(29)	1	(1)	1	(2)	342	(372)
Individual	323	(345)	111	(120)	24	(26)	6	(5)	464	(496)
Honorary	15	(15)	9	(9)	0	(0)	0	(0)	24	(24)
Life	21	(21)	20	(21)	7	(5)	1	(1)	49	(48)
Sustaining	11	(8)	3	(2)	0	(0)	0	(0)	11	(10)
Total	687	(729)	166	(181)	32	(32)	8	(8)	890	(950)

Publications Committee

The Publications Committee met twice in 2003.

Four issues of *The Canadian Field-Naturalist* were published in 2003: Volume **116**, #2,3,4 and Volume **117**, #1. These four issues contained 698 pages; 47 articles; 20 notes; 1 COSEWIC article; 81 book reviews; 144 new titles; 2 commemorative tributes; 24 pages of News and Comments; and a 29 page index.

The long-time Book Review Editor, Wilson Eedy, died suddenly in the summer. His position has been taken over by Roy John. All of the Associate Editors will be reappointed for 2004.

Six articles qualified for support from the Manning Memorial Fund for a total of \$4044.

Steady progress was made in getting the publication schedule back on track. The printing of *The CFN* has been taken from St. Joseph and contracted to Gilmore Printing Services Inc. beginning with Volume **117**, #2. It is expected that this will both reduce the printing costs and improve the photographic quality.

In response to an author's complaint, the details of publication charges have been reworded. The new text says, in effect, that only members of *The Ottawa Field-Naturalists' Club* and subscribers to *The CFN* are eligible to apply for waiver of page charges for the first five pages, and then only if institutional funds are unavailable.

Volume 37 of *Trail & Landscape* was published in four issues containing 192 pages with the usual mix of good articles and news of *Club* events.

R. BEDFORD

Auditor's Report

To The Members of THE OTTAWA FIELD NATURALISTS' CLUB

I have audited the balance sheet of THE OTTAWA FIELD-NATURALISTS' Club as at September 30, 2003, the statement of changes in net assets, and the statements of operations. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these statements based on my audit.

Except as explained in the following paragraph, I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many non-profit organizations, the Ottawa Field-Naturalists' Club derives some of its revenue from memberships, donations, and fund raising activities. These revenues are not readily susceptible to complete audit verification, and accordingly, my verification was limited to accounting for the amounts reflected in the records of the organization.

In my opinion, except for the effect of the adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the revenues referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the OFNC as at September 30, 2003, and the results of its operations and changes in net assets for the year then ended in accordance with generally accepted accounting principles.

JANET M. GEHR
Chartered Accountant

North Gower, Ontario
January 12, 2004

The Ottawa Field-Naturalists' Club
Balance Sheet
September 30, 2003

	2003	2002
ASSETS		
CURRENT		
Cash (Note 1)	\$ 2,781	\$ 71,087
Investment certificates (Note 1)	43,764	84,790
Marketable securities (Note 2)	246,467	235,758
Accounts receivable	27,690	7,238
Prepaid expenses	<u>1,000</u>	<u>1,000</u>
	321,702	399,873
CAPITAL ASSETS (Note 3)		
Land – Alfred Bog	<u>3,348</u>	<u>3,348</u>
	<u>\$ 325,050</u>	<u>\$ 403,221</u>
LIABILITIES AND FUND BALANCES		
CURRENT		
Accounts payable and accrued liabilities	\$ 2,000	\$ 2,000
Deferred revenue	<u>12,075</u>	<u>13,500</u>
	14,075	15,500
Life memberships	<u>12,663</u>	<u>11,721</u>
NET ASSETS		
Unrestricted	60,609	80,325
Club reserve	100,000	100,000
Manning principal	100,000	100,000
Manning interest - OFNC	1,434	1,963
- CFN	13,153	13,179
Seedathon	1,618	2,087
Anne Hanes memorial	870	870
de Kiriline-Lawrence	18,798	23,975
Macoun Baillie Birdathon	1,337	1,327
Alfred Bog	<u>493</u>	<u>52,274</u>
	298,312	376,000
	<u>\$ 325,050</u>	<u>\$ 403,221</u>

**The Ottawa Field-Naturalists' Club
Statement of Operations
For the Year Ended September 30, 2003**

	2003	2002
REVENUE		
Memberships	\$ 14,615	\$ 15,488
Trail and Landscape	193	196
Interest	1,339	1,457
GST rebate	780	4,532
Other	617	760
	<u>17,547</u>	<u>22,433</u>
OPERATING EXPENSES		
Affiliation fees	680	680
Computer	302	216
Membership	1,151	1,437
Office Assistant	1,000	1,000
Telephone	1,622	1,848
Insurance	655	655
Audit	1,000	1,000
GST	1,290	1,316
Other	884	2,847
	<u>8,584</u>	<u>10,999</u>
CLUB ACTIVITY EXPENSES		
Awards	-	471
Birds	1,696	223
Education and Publicity	73	1,322
Excursions and lectures	496	164
Macoun Field Club	851	1,027
Soiree	19	466
Trail and Landscape	8,368	9,088
Fletcher Wildlife Garden (Note 4)	2,623	1,294
Other	-	-
	<u>14,126</u>	<u>14,055</u>
	<u>22,710</u>	<u>25,054</u>
EXCESS EXPENSES OVER REVENUE	<u>\$ (5,163)</u>	<u>\$ (2,621)</u>

**The Ottawa Field-Naturalists' Club
Canadian Field-Naturalists — Statement Of Operations
For the Year Ended September 30, 2003**

	2003	2002
REVENUE		
Memberships	\$ 9,743	\$ 10,325
Subscriptions	25,369	28,483
Reprints	9,534	5,608
Publication charges	50,559	16,812
Interest and exchange	7,940	10,404
GST rebate	3,040	3,448
Other	734	339
	<u>106,919</u>	<u>75,419</u>
EXPENSES		
Publishing	\$ 80,758	\$ 61,570
Reprints	7,307	4,127
Circulation	11,307	7,653
Editing	4,183	2,652
Office Assistant	5,000	5,000
Honoraria	9,000	9,000
GST rebate	6,508	5,146
Other	552	421
	<u>124,615</u>	<u>95,569</u>
EXCESS EXPENSES OVER REVENUE	<u>\$ (17,696)</u>	<u>\$ (20,150)</u>

**The Ottawa Field-Naturalists' Club Notes to the Financial Statements
September 30, 2003**

1. CASH

	2003	2002
Chequing	\$ (3,777)	\$ 5,589
Savings	1,344	58,336
Nesbitt Burns	919	919
Fletcher Wildlife Garden	4,295	5,868
	<u>\$ 2,781</u>	<u>\$ 70,712</u>

Investment Certificates:	Maturity Value	Maturity Date	Yield	Book Value
	\$ 44,385	04/29/04	1.00%	<u>\$ 43,764</u>

2. MARKETABLE SECURITIES

Investment Certificates:	Maturity Value	Maturity Date	Yield	Book Value
Province of Newfoundland Coupon	\$ 44,782	10/17/11	4.525%	\$ 31,421
Province of Manitoba Coupon	29,847	11/15/04	5.119%	26,754
Ontario Savings Bonds	40,000	06/21/05	6.45%	41,370
CMHC Global Debs	52,000	12/01/06	5.250%	53,539
Province of Ontario Bond	30,000	09/12/07	6.125%	31,187
Province of Newfoundland Bond	20,000	10/07/08	6.263%	20,538
Government of Canada Coupon	30,167	12/01/09	5.605%	20,590
Province of New Brunswick Bond	20,000	06/15/10	6.231%	21,068
				<u>\$246,467</u>

3. CAPITAL ASSETS

Equipment at a cost of \$16,748 is fully amortized.

4. FLETCHER WILDLIFE GARDEN

	2003	2002
REVENUE		
Federal government	\$ -	\$ 3,059
City of Ottawa	-	1,450
Taverner Cup	1,068	1,354
Sales	-	872
GST	180	398
Donations	50	292
Other	2,425	-
	<u>3,723</u>	<u>7,425</u>
EXPENSES		
Program	2,318	3,174
Backyard	1,362	1,123
Habitats	920	1,864
Interpretation centre	118	783
Administration	944	1,048
Publications	309	337
GST	243	303
Library	132	87
Other	-	-
	<u>6,346</u>	<u>8,719</u>
	<u>\$ (2,623)</u>	<u>\$ (1,294)</u>

**The Ottawa Field-Naturalists' Club Statement of Changes in Net Assets
For the Year Ended September 30, 2003 (Note 5)**

Net Assets	Beginning Balance	Excess Expenses CFN	Excess Expenses OFNC	Other Revenue	Expenses	Ending Balance
Unrestricted	\$ 80,325	\$ (17,696)	\$ (5,163)	\$ 3,143	\$ -	\$ 60,609
Club Reserve	100,000	-	-	-	-	100,000
Manning Principal	100,000	-	-	-	-	100,000
Manning – OFNC (a)	1,963	-	-	1,021	1,550	1,434
Manning – CFN (b)	13,179	-	-	4,086	4,112	13,153
Seedathon	2,087	-	-	502	971	1,618
Anne Hanes Memorial	870	-	-	-	-	870
de Kiriline-Lawrence (c)	23,975	-	-	381	5,558	18,798
Macoun Baillie Birdathon (d)	1,327	-	-	10	-	1,337
Alfred Bog (e)	52,274	-	-	3,219	55,000	493
	\$ 376,000	\$ (17,696)	\$ (5,163)	\$ 12,362	\$ 67,191	\$ 298,312

STATEMENT OF CHANGES IN NET ASSETS

- Manning OFNC Expenses: Taverner Competition, \$1,250; Peregrine Watch, \$300;
- Manning CFN Expenses: Vol. 114, No. 2, Douglas Clark, Grizzly Bears in Northern Manitoba \$228; Vol. 116, No. 1, Mark Hipfner et al., Common Eiders around Digges Sound \$340; Gerald Kuzyk et al., Wolf response to sled dog \$160; Kevin White et al., Predation of wolves on wolverines and martens \$160; W. A. Fuller, Canada and the buffalo \$1,609; Vol. 116, No. 3, John Goold et al., Sperm whale strandings \$1,615.
- de Kiriline Lawrence Expenses: Nature Conservancy of Canada – land in Alfred Bog \$4,000; Sierra Club, Ottawa Group – Leitrim Wetlands publicity – \$1,000; Greenspace Alliance (Unger) – newspaper ad in defence of South Gloucester Conservation Area \$558.
- Alfred Bog Expense: Nature Conservancy of Canada, \$55,000 proceeds from fund raising campaign for acquisition of land in Alfred Bog.

The Ottawa Field-Naturalists' Club Summary of Significant Accounting Policies

September 30, 2003

1. Nature of Business

The organization is non-profit and incorporated under the laws of Ontario (1884). The organization promotes the appreciation, preservation, and conservation of Canada's natural heritage. It encourages investigation and publishes the results of the research in all fields of natural history and diffuses information on these fields as widely as possible. It also supports and cooperates with other organizations engaging in preserving, maintaining or restoring environments of high quality for living things.

2. Financial Instruments

The organization's financial instruments consist of cash, accounts receivable, marketable securities, and accounts payable. Unless otherwise noted, it is the management's opinion that the organization is not exposed to significant interest, currency, or credit risks arising from these financial instruments. The fair value of these instruments approximate their carrying values.

3. Capital Assets

Capital assets acquired after 1989 are expenses. Capital assets acquired prior to 1990 were recorded as assets at cost and amortized on a straight-line basis. These assets have been fully amortized.

4. Statement of Changes in Financial Position

A statement of changes in financial position has not been provided as it would not provide additional meaningful information.

5. Foreign Currency

Transactions during the year in U.S. dollars have been converted in the accounts to Canadian dollars at the exchange rate effective at the date of the transaction. All monetary assets in U.S. dollars at year end have been converted to Canadian dollars at the rate effective on Sept. 30, 2003. Gains or losses resulting therefrom are included in revenue or expenses.