

Annual Report

2020/21



ISLANDS TRUST CONSERVANCY

Board



Kate-Louise Stamford
Chair



Linda Adams



Donald Clarke



Sue Ellen Fast



Doug Fenton



Susan Hannon

Staff



Kathryn Martell
Ecosystem Protection Specialist



Kate Emmings
Manager



Carla Funk
Fundraising Specialist



Nuala Murphy
Property Management Specialist



Erin Coulson
Communications Specialist



Jemma Green
Covenant Management and
Outreach Specialist



Corlynn Strachan
Administrative Assistant

Message from the Islands Trust Conservancy Board Chair

It was only a few months into the COVID-19 Pandemic when we prepared the Islands Trust Conservancy Annual Report last year, yet already the effects of the lockdown, physical distancing, and concerns about the illness, itself, were becoming apparent to island communities. Speaking to resilience and flexibility, we prepared for the extra challenges of supporting and enhancing species and ecosystems on islands in the Salish Sea during a very uncertain time for everyone.

As predicted, natural places became islands of safe company in a world of physical distancing; touchstones of natural space to breathe and appreciate the here and now, away from daily statistics and travel bans. The nature reserves, covenanted lands, and parks that Islands Trust Conservancy supports became even more popular local destinations for island communities. What wasn't predicted was how rampant the acquisition of rural island real-estate would become. While this has provided opportunities for the Conservancy as land has changed ownership, it has also potentially priced many biodiverse areas out of consideration.

We celebrated our 30th anniversary as Islands Trust Conservancy this past year and marked that occasion with the addition of the 30th nature reserve at Sandy Beach, Lheḱ'tínes/Keats Island. This exceptional entrant to the protected places we have the great honour to steward in perpetuity brought together the local community, First Nations, and partner conservancies as a great example of how the Conservancy wants to move forward in the future. Ongoing collaboration among these important partners will yield a management plan over the next year.

Despite travel restrictions, Islands Trust Conservancy staff continued to monitor the lands in our care. Almost all the nature reserves and covenants were visited either by staff, in a manner that was safe and respectful to local residents, or by on-island partner conservancies and contractors. Visits were prioritized by assessed risk and those areas that could not be monitored in person over the past year will be monitored in the upcoming season, if B.C. health guidelines permit travel over the summer.

In October of 2020, Islands Trust Conservancy began the vital work of preparing a Reconciliation Action Plan reflective of commitments made through the Reconciliation Declaration passed in the previous year. In January of 2021, the Board also approved a detailed Fund Development Action Plan prepared by staff and scoping in activities to 2025.

Another important highlight of 2020/2021 was the signing of an agreement between Islands Trust Conservancy and the Federal Ministry of Environment and Climate Change — to provide enhanced support programs for island species at risk over three years. It has been exciting to be recognized as an area of high diversity in need of special consideration at the national level, and the Conservancy was well poised for acceptance of these funds with respect to existing programs.

As you will read in greater detail in the summaries of our four Regional Conservation Plan goals, and the various program highlights from this past year, Islands Trust Conservancy significantly advanced its goal of protecting unique and fragile island ecosystems. The work that was done — the research, the community outreach, the Conservancy Board initiatives — would not have been possible without the extraordinary commitment and professionalism of Islands Trust Conservancy staff who, along with their Islands Trust colleagues, stepped up to the challenges that working in a pandemic presented.

It is with this continued support from our talented staff, passionate donors, volunteers and landholders, and our conservation partners throughout the Trust Area, the province, and the country, that Islands Trust Conservancy will continue to protect and enhance the exceptional biodiversity of these islands in the years to come.

Sincerely,



Kate-Louise Stamford
Chair, Islands Trust Conservancy



Acknowledgement

Islands Trust Conservancy acknowledges that we work within the treaty lands and territories of the BOKÉĆEN, K'ómoks, Lək'əŋən, Lyackson, MÁLEXEĒ, Qualicum, Quw'utsun Tribes, scəwáθən məsteyəxʷ, Scia'new, səlilwətaʔt, SEMYOME, shíshálh, Skwxwú7mesh, Snaw-naw-as, Snuneymuxw, Spune'luxutth, STÁUTW, Stz'uminus, ʔaʔəmen, toq qaymíxʷ, Ts'uubaa-asatx, Wei Wai Kum, We Wai Kai, WJOLEĒP, WSIKEM, Xeláltxw, Xwémalhkwu/ʔop qaymíxʷ, and xʷməθkʷəy̓əm.

Reconciliation Declaration

Islands Trust Conservancy acknowledges that the lands and waters that encompass the Salish Sea have been home to Indigenous Peoples since time immemorial. We recognize that we are all intertwined in the ecosystems that are the lands, waters, culture, and ecology that embody this place.

Islands Trust Conservancy will strive to create opportunities for knowledge-sharing, understanding, and collaboration as people come together to preserve and protect the special nature of the islands within the Salish Sea.

Islands Trust Conservancy is committed to the protection and preservation of this place through processes that respect and honour reconciliation and mutually respectful relationships with Coast Salish Indigenous Peoples. We express our recognition for the past, present, and future stewardship and knowledge that has been shared by Indigenous Peoples and are humbled and grateful.

Adopted: July 16, 2019, by the Islands Trust Conservancy Board in METULIYE (Victoria)

Islands Trust Conservancy

Role

Islands Trust Conservancy was established April 1, 1990, by the *Islands Trust Act* to preserve natural landscapes, cultural heritage, and ecosystems in the Islands Trust Area. The area is nestled within the Salish Sea and includes most of the Gulf Islands and Átl'ka7tsem/Howe Sound. As the regional land trust for the Islands Trust Area, Islands Trust Conservancy works with landholders, local conservancies, and communities to protect places of natural significance in perpetuity. Islands Trust Conservancy receives donations of land, conservation covenants, and cash; monitors and manages land to conserve and restore biodiversity; and works with islanders on private land stewardship. As a *qualified donee*, Islands Trust Conservancy provides receipts for income tax purposes for all eligible donations.

This year, the Islands Trust Conservancy Board continued its effort to incorporate reconciliation with First Nations into its decision-making, and to develop mutually respectful relationships with Coast Salish Indigenous Peoples through the Reconciliation Declaration adopted in July of 2019.

Board Members

Kate-Louise Stamford, Gambier Island (2014–2018, Chair, 2018–present)

Sue Ellen Fast, Bowen Island Municipality (2018–2019, Vice Chair, 2019–present)

Doug Fenton, Thetis Island (2018–present)

Linda Adams, Salt Spring Island (Appointed Member, August 2018–present)

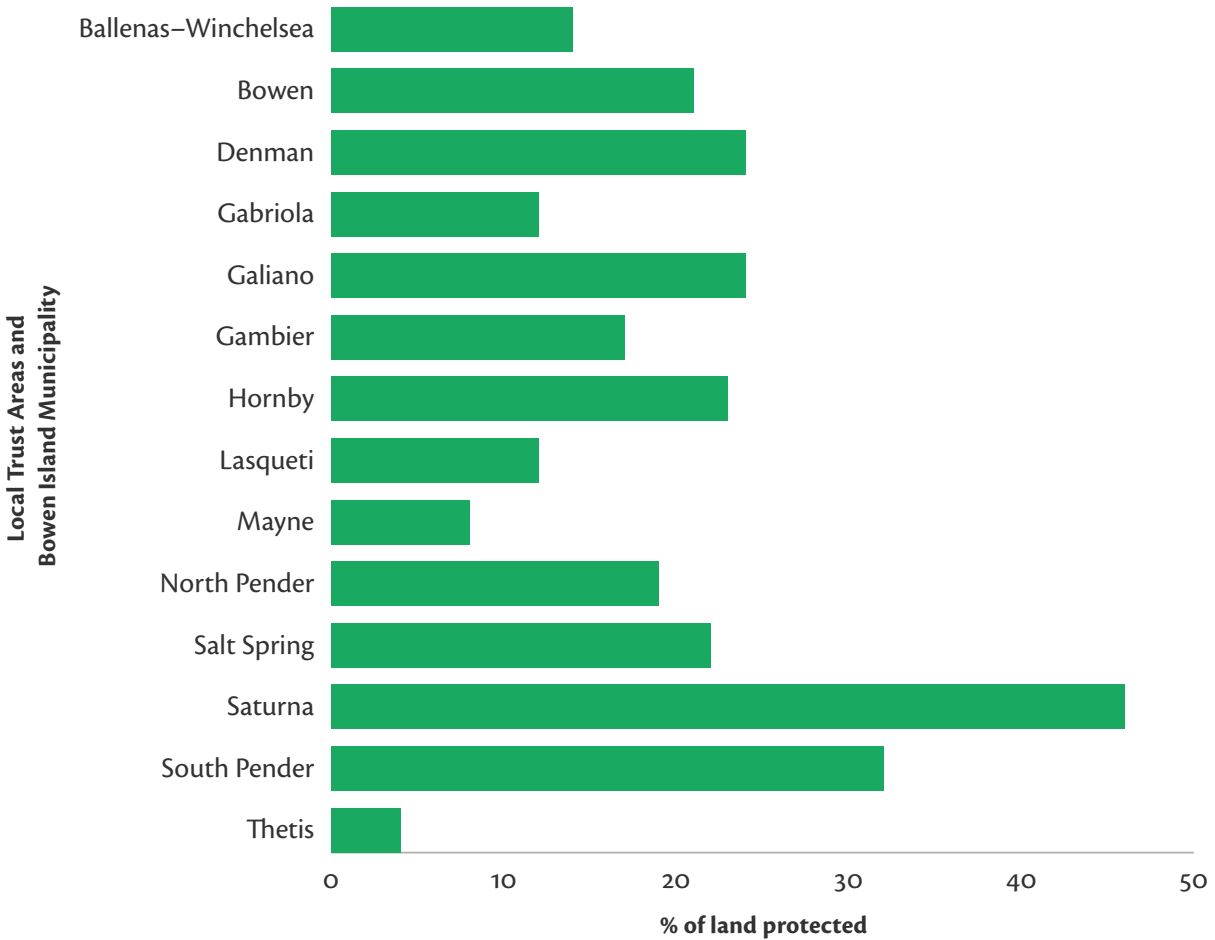
Donald Clarke, Victoria (Appointed Member, January 2020–present)

Special thanks from the Board to Susan Hannon, Salt Spring Island (Appointed Member, November 2019–November 2020)

Protected Places in the Islands Trust Area

Over 1,300 hectares of ecological and cultural value, including 12,958 metres of shoreline on 107 properties, have been protected by Islands Trust Conservancy as of March 2021. Combined with properties protected by public and non-profit conservation organizations (including Islands Trust Conservancy), there is a total of 15,541 hectares of protected land in the Islands Trust Area. This represents 20 per cent of the region.

Protected Places in Each Local Trust Area and Bowen Island Municipality as of March 31, 2021



1,300+ ha of ecological and cultural value
12,958 m of shoreline
107 properties
677 ha ITC Nature Reserves
634 ha ITC Conservation Covenants
15,541 ha protected in the Islands Trust Area when including other conservation organizations
 = **20%** of the region

Protected Places in the Islands Trust Area as of March 31, 2021

Northern Islands

Denman I.

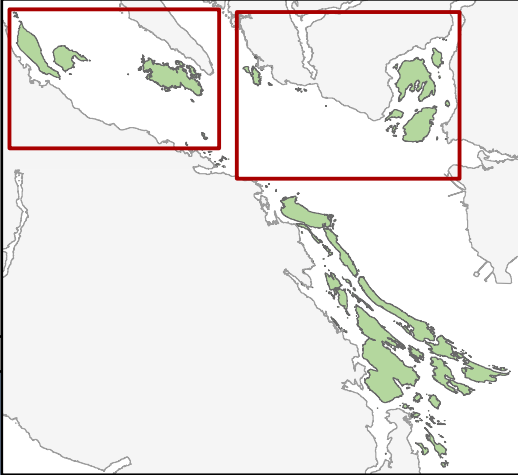
Hornby I.

Lasqueti I.

Northern Boundary of Islands Trust Area

Salish Sea

Areas of Interest



Howe Sound Islands

Gambier I.

Bowen I.

Howe Sound

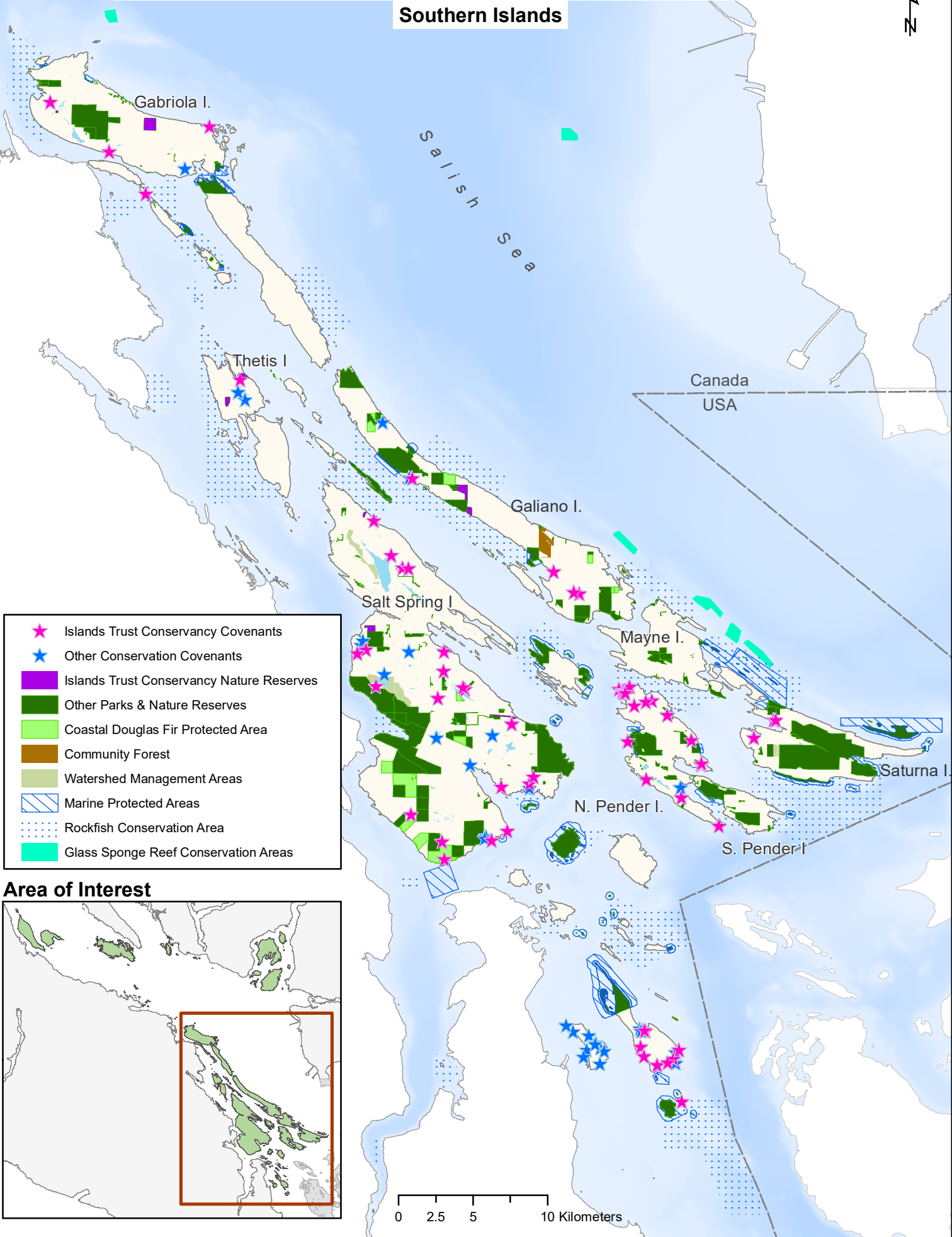
Salish Sea

- ★ Islands Trust Conservancy Covenant
- ★ Other Conservation Covenants
- Islands Trust Conservancy Nature Reserve
- Other Parks & Nature Reserves
- Old Growth Management Area
- ▨ Marine Protected Area
- ⋯ Rockfish Conservation Area
- Glass Sponge Reef Conservation Area

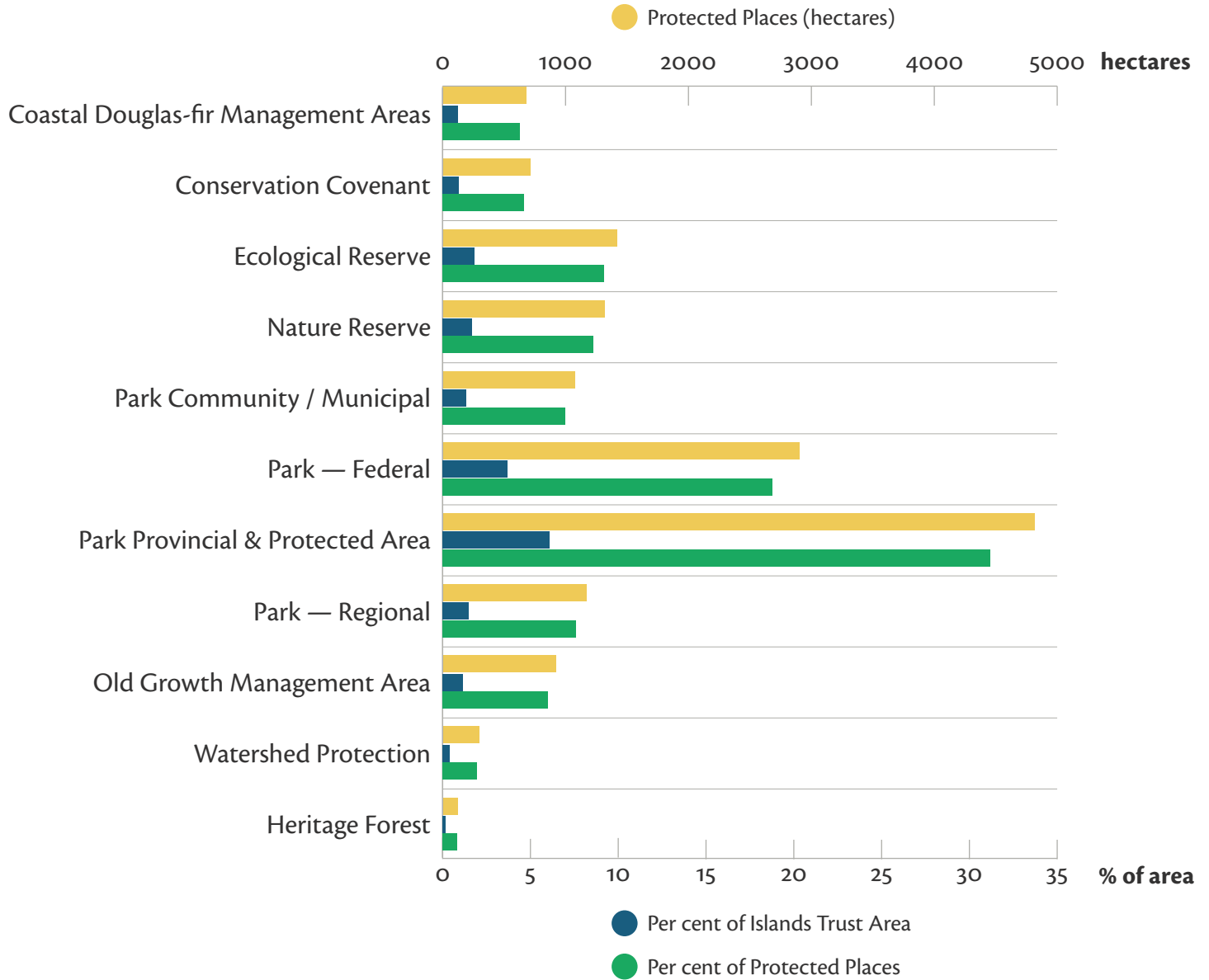
0 2.5 5 10 Kilometers

Protected Places in the Islands Trust Area as of March 31, 2021

Southern Islands



Types of Protected Places in the Islands Trust Area



Where a property has more than one type of protection, only the primary, or strongest, type of protection has been included in these calculations.



Arbutus Flowers, Gerald Island. PHOTO: SAVAGESWAN

Regional Conservation Plan

The Regional Conservation Plan 2018–2027 guides the work of Islands Trust Conservancy to protect the ecosystems of and around islands in the Salish Sea. This ten-year plan is science-based and community-informed, and includes valuable input from six Coast Salish First Nations.

Islands Trust Conservancy designed the [Regional Conservation Plan 2018–2027](#) to centre around four long-term goals. These goals help the Conservancy to focus its efforts and resources on the species and habitats most urgently in need of conservation. Islands Trust Conservancy staff prepared a summary of activities and accomplishments as assessed through the lens of the four long-term goals identified in the Regional Conservation Plan:

Goal 1: Knowledge-based Conservation Planning

Identify, investigate and communicate about important natural areas to generate action on conservation priorities

To support the protection of a greater variety of species and the healthy maintenance or improvement of more ecosystems in the Islands Trust Area, Islands Trust Conservancy seeks to build its detailed knowledge of ecosystems and species in the region. Islands Trust Conservancy uses a variety of data to inform careful decisions on how to manage and care for land. The Conservancy also communicates this information strategically, to local, provincial, and national conservation partners and to landholders who may be interested in voluntarily protecting land through conservation covenants or donations of time, treasure, or talent.

Mapping and Data Analysis

Islands Trust Conservancy acquires and analyzes data and shares it with others. In 2020/2021, Islands Trust Conservancy:

- Updated protected-area mapping for the region and contributed to the British Columbia Non-Governmental Organization Conservation Areas Database
- Participated in data-sharing with local, regional, and provincial organizations and partnerships conducting research and gathering data about eelgrass and bull kelp beds, forage fish spawning areas, and forest protection — as examples
- Shared data with three federal agencies concerned with marine resource protection and two local governments conducting management planning for parks
- Worked with Islands Trust to provide data and analysis for a pilot Coastal Douglas-fir Forest Protection project on Salt Spring Island

Planning and Adapting for Climate Change

Islands Trust Conservancy is developing practical actions to ensure that our work includes both adaptation and mitigation in response to climate change. In 2020/2021 Islands Trust Conservancy:

- Coordinated with Islands Trust staff on projects to identify relevant indicators to measure climate change impacts and the impacts of mitigation actions
- Continued to analyse likely impacts of changing climate conditions on this region's specific species and ecosystems
- Participated in training workshops to adapt our land management practices to factor in climate change

Goal 2: Collaboration with First Nations and Relationship Building

Strengthen relationships with First Nations to identify and collaborate on shared conservation goals

Islands Trust Conservancy, through its collaboration with Islands Trust, continued to build and strengthen engagement with First Nations in the Salish Sea during 2020/2021. During the COVID-19 pandemic many islanders began to realize and understand the importance of being on the land and how our well-being is woven into the landscapes and connections with nature. These are things that First Nations people have understood since time immemorial.

For Islands Trust Conservancy, 2020/2021 was a time of reflection, allowing for reviews of processes and policies to ensure that the work undertaken is reflective of the Truth and Reconciliation Commission (TRC) Calls to Action, the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), the Province of British Columbia's *Declaration on the Rights of Indigenous Peoples Act* (DRIPA), and the Missing and Murdered Indigenous Women and Girls (MMIWG) Calls for Justice. Islands Trust Conservancy staff participated in reconciliation training conducted through Islands Trust. This training supported the TRC Calls to Action to learn about the history and legacy of residential school, Indigenous Law, and UNDRIP.

When COVID-19 protocols allowed, staff also participated in guided site visits with Harold Joe, Quw'utsun Tribes Archeological Consultant

and Cultural Knowledge Holder, to learn about how to respectfully be on the land and to create understanding of culturally sensitive ways of being. Cultural Knowledge is a critical component of caring for land and understanding the responsibilities of respecting cultural features.

Islands Trust Conservancy continued to strive to fulfill the Islands Trust Conservancy Reconciliation Declaration in its engagement and relationship-building with First Nations. Many nature reserves are locations of cultural heritage for First Nations, and protection from land-altering activity under

“The Gulf Islands are rich and vast with our culture and our history. To see old tools, old remnants of ancestral creations, shows the extent of our lives on the islands since time immemorial ... protecting cultural history and learning more is the responsibility of everyone.”

— Harold Joe, Quw’utsun Tribes Archeological Consultant and Cultural Knowledge Holder



the management of Islands Trust Conservancy is the first step to the preservation and protection of these locations. 2020/2021 saw continued collaboration on management plans that are informed by the need to preserve Indigenous cultural heritage and significant sites, and the need to ensure that sustainability and stewardship is inclusive of Indigenous ways of knowing. The Cultural Management Plan Template created in 2019/2020 was shared with First Nation councils and associations to begin management planning processes for the nature reserve at Sandy Beach on Lhek'tines/Keats Island, as well as those nature reserves that have reached their 10-year planning review, such as S'ul-hween X'pey/Elder Cedar on Gabriola Island. First Nations art, language, and Cultural Knowledge was also an important part of new signage for the Fairyslipper Forest Nature Reserve (Thetis Island) and the S'ul-hween X'pey/Elder Cedar Nature Reserve (Gabriola Island). ITC Board and staff anticipate that the Cultural Management Plan Template and signage procedures will evolve over time as Islands Trust Conservancy builds more meaningful relationships with First Nations in the Salish Sea.

Islands Trust Conservancy remains committed to identifying ways to work together and partner with First Nations to ensure the conservation and protection of the islands and waters of this fragile and sensitive ecosystem. Humbly learning and understanding the history and legacy of the past and the impacts that have led to the alienation of First Nations from their homelands and cultural places is vital for all those working in the space of conservation, and the Conservancy continues its commitment to that goal.

Goal 3: Protect Core Conservation Areas

Continue to secure and manage Islands Trust Conservancy lands and conservation covenants to maximize ecological integrity

The core of Islands Trust Conservancy’s work is to understand and secure lands within the islands of the Salish Sea that conserve the highest biodiversity values and to grow protected area networks — contiguous conservation areas that allow for species migration and that support plant, animal, and human wellbeing.

We have developed systematic approaches rooted in western science, and increasingly guided by Indigenous ways of knowing/expertise, to determine which areas are most in need of our collective efforts. We also work to communicate conservation best practices and specific conservation actions taken by Islands Trust Conservancy to land-use planners and decision-makers, and to support the work of partner conservation groups through the [Opportunity Fund](#).

“Our lives depend on the lives of flora and fauna, so we’d best act now. Nature bats last, as my friend John Clarke used to say.”

— Lisa Baile, donor of the Lisa Baile Nature Reserve on SDAY,ES/North Pender Island and author of the book *John Clarke: Explorer of the Coast Mountains*



Brooks Point Regional Park, South Pender Island. PHOTO: KRISTINE MAYES

2020/2021 Conservation Covenants

Covenants are a useful tool that permanently protect natural features on private property while allowing landholders to retain ownership of their land. Islands Trust Conservancy manages the [Natural Area Protection Tax Exemption Program \(NAPTEP\)](#), which provides island landholders with an annual 65% property tax reduction on the portion of their land protected by a conservation covenant. This incentive is unique to the Islands Trust Area.

In 2020/2021, the Conservancy worked on negotiations for 100 hectares of conservation covenants. Although no new conservation covenants were registered, conservation efforts on these lands were advanced. Islands Trust Conservancy continued to promote the NAPTEP program and support land management across our 76 conservation covenants. Work included the publication of a Covenant Landholder Newsletter, in May 2020, and community-focussed communications such as The Heron newsletter, website updates, news releases, and social media content.

2020/2021 Land Acquisitions

Sandy Beach Nature Reserve (3.3 hectares), Lhek'tines/Keats Island:

The Sandy Beach Nature Reserve is a location of cultural heritage for Skwxwú7mesh (Squamish) and səilwətaʔt (Tsleil-waututh) Nations and protection from land-altering activity under the management of the Islands Trust Conservancy is the first step to the preservation and protection of this location.

Sandy Beach was a part of “Keats Camp,” a Baptist summer youth camp operated by the Convention of Baptist Churches of British Columbia, which was founded in 1926. The land was transferred from the Convention of Baptist Churches of B.C. to Islands Trust Conservancy on December 18, 2020, as part of a rezoning and subdivision application and came with a \$12,000 contribution which has been allocated to a new property management fund to be further built out in the years to come. It is the 30th nature reserve created in 30 years by Islands Trust Conservancy.

Lisa Baile Nature Reserve (4.0 hectares), SDAYES/North Pender Island:

Lisa Baile donated this property to become the Lisa Baile Nature Reserve on February 25, 2021. The nature reserve is also the twenty-fifth protected area donated to the Conservancy through the Ecological Gifts Program. It contains a mixed mature forest of largely Douglas-fir and western

redcedar, and rises steeply to a ridge with small rocky bluffs and Garry oak and arbutus woodlands, with patches of native wildflowers such as fairy-slipper, camas (a lily), chocolate lily, and fawn lily. The Lisa Baile Nature Reserve expands an existing 9-hectare grouping of conserved lands, increasing this network of protected places in the Salish Sea to nearly 13 contiguous hectares that will provide habitat for regional species in perpetuity.



Jemma Green, Covenant Management & Outreach Specialist.
PHOTO: CARLA FUNK



Nuala Murphy, Property Management Specialist. PHOTO: CARLA FUNK

Despite significant — at times, absolute — local travel restrictions put in place by provincial and local health authorities, Covenant Management & Outreach Specialist Jemma Green and Property Management Specialist Nuala Murphy were still able to complete the annual monitoring visits to assess multiple conservation covenant and nature reserve lands in alignment with public health orders. As Islands Trust Conservancy protected places grow in number, the resources required for management of these special properties also increase. Monitoring and land management is integral to responsible caretaking of conservation lands.

ISLANDS TRUST CONSERVANCY

Opportunity Fund: Kick-starting Conservation 2005–2021

28
9

grants to
conservation
partners on
islands

**1st
grant**

Salt Spring Island

*Result: Mount Erskine
Provincial Park ▶*

Latest grant: Bowen Island Conservancy
Result: Cape Roger Curtis Conservation Area



\$104,000

granted since 2005



\$47,000,000!



total appraised value of properties
protected by kick-starting grants
to conservation partners



Largest grant
\$7,000



Smallest grant
\$700



Average grant
\$3,700

200+
donors

Generosity of donors to the Opportunity Fund has kick-started conservation on islands of the Salish Sea.

100% of donations go to our partners and individual landowners in support of important conservation projects.

To donate call 250-405-5186, visit islandstrust.bc.ca/donate-to-conservancy/
or mail a cheque to Islands Trust Conservancy, 200–1627 Fort Street, Victoria, BC V8R 1H8

Photos by Kristine Mayes; design by Erika Rathje



Opportunity Fund

The [Opportunity Fund](#) provides support for hard-to-fundraise costs associated with land protection and leverages donations through matching funds for land-acquisition campaigns. The disbursement of funds is guided by the Regional Conservation Plan and the Islands Trust Conservancy Board considers applications twice per year.

In 2020/2021, generous and forward-thinking Islands Trust Conservancy donors contributed \$3,994 in tax receipted donations to the Opportunity Fund. As of March 2021, the Opportunity Fund had \$14,498, with \$6,500 in approved, but unspent, grants, leaving an available-to-grant balance of \$7,998. Islands Trust Conservancy approved the following Opportunity Fund grants:

- \$5,000 to Bowen Island Conservancy
- Two grants to the Denman Conservancy Association — \$5,000 and \$4,000
- \$2,500 to Salt Spring Island Water Preservation Society

Taking Care of What We Have

Acquiring a property or signing a conservation covenant is just the first step in ecosystem protection. Islands Trust Conservancy monitors and manages nature reserves in its care according to [management plans](#) that identify long-term conservation and restoration goals. In 2020/2021, Islands Trust Conservancy undertook many property management projects in partnership with local island-based conservancies, including:

- Monitoring Islands Trust Conservancy nature reserves to assess property management needs
- Monitoring Islands Trust Conservancy conservation covenants to maintain relationships with landowners and ensure compliance
- Revising management plans for Inner Island and Lindsay Dickson nature reserves (Denman Island), and Deep Ridge and Lower Mt. Erskine nature reserves (Salt Spring Island)
- Developing the first management plan for Valens Brook Nature Reserve (Denman Island)
- Initiating management plan revisions for Coats Millstone and S'ul-hween X'pey/Elder Cedar nature reserves (Gabriola Island), Ruby Alton Nature Reserve (Salt Spring Island), and the first management plan for Moore Hill Nature Reserve (Thetis Island)

- Removing exotic invasive species from conservation covenants and nature reserves on Little D'Arcy, Denman, Gabriola, Galiano, Link, Salt Spring, and Thetis islands
- Initiating a trail-building project in Salish View Nature Reserve (Lasqueti Island)
- Trail maintenance on all nature reserves with trails to ensure safe passage
- Planting and caging trees in the fifth restoration work party to restore an additional 0.4 ha of Coastal Western Hemlock forest in Brigade Bay Bluffs Nature Reserve (Gambier Island). *Since 2017, approximately 1.2 hectares of forest (almost 3 acres) has been replanted at this reserve*
- Initiating pond restoration at Salish View Nature Reserve, Lasqueti Island, with 841 native plants installed and fenced
- Monitoring forest restoration projects at Morrison Marsh and Lindsay Dickson nature reserves (Denman Island), Mount Trematon, John Osland, and Salish View nature reserves (Lasqueti Island), Trincomali Nature Sanctuary (Galiano Island), and Long Bay Wetland and Brigade Bay Bluffs Nature Reserves (Gambier Island)
- Developing access, with kiosk and informative panels for Fairyslipper Forest Nature Reserve (Thetis Island) and a new entrance sign at S'ul-hween X'pey/Elder Cedar Nature Reserve (Gabriola Island)
- Collaborating with Parks Canada, First Nations, the Province of B.C., and the Sidney Island community on the Sidney Island Ecosystem Restoration Project to benefit the ecological health of Islands Trust Conservancy covenant lands
- Participating in the Capital Region Invasive Species Partnership



Ecosystem restoration work party of Gambier Island Conservancy directors and volunteers planting trees at Brigade Bay Bluffs Nature Reserve, Gambier Island.

Goal 4: A Strong Voice for Nature Conservation

Continue to build internal and shared organizational strength and resilience to ensure long-term nature conservation in the Islands Trust Area

Reflecting on the 30th anniversary of Islands Trust Conservancy throughout this past year inspired board and staff to consider which mainstays of knowledge, technique, and tools of the trade could continue to support shared goals, and which might best be adapted to meet the changing needs of a swiftly evolving world. New programming and funding sources required that the Conservancy grow and develop in new ways.

NEW Species at Risk Program: Expanding our Capacity to Care for Land

In the autumn of 2020, Islands Trust Conservancy signed a three-year agreement with Environment and Climate Change Canada (ECCC) to deliver a [Species at Risk Program](#) (SAR Program) for the Islands Trust Area. The agreement included a financial commitment from ECCC of \$597,000, with \$187,000 allocated to programming in 2020/2021.

To launch the SAR Program, the Conservancy:

- developed two new staff positions: Species at Risk Program Coordinator (full-time) and Conservation Technician (summer staff); these positions will be hired in 2021/2022
- acquired professional services for land securement (surveys, legal advice, and appraisals)
- conducted species-at-risk surveys on five properties
- completed outreach to 403 landholders with high-value Coastal Douglas-fir ecosystems
- removed invasive species from 30 hectares of rare species habitat
- planted over 880 plants, including 27 species, to restore habitat for species at risk

Evolving Communications

This past year, with challenges to in-person gathering, the Conservancy honoured its commitment to communicate the value of conservation in the Salish Sea by reaching out to the public via online meetings, social media, website updates, and multiple print publications — the Covenant Landholders Newsletter in May 2020 and [The Heron](#) newsletter (Autumn 2020 and March 2021).

Islands Trust Conservancy also dedicated significant time to updating its website content and merging its web presence with that of Islands Trust. The Conservancy anticipates that this will draw more traffic to its webpages and help to deliver its message to a broader community. Look for up-to-date information at islandstrust.bc.ca/conservancy.

Each of these outreach efforts brings in new potential allies, donors, staff members, and leaders. Each forms a series of connections and conversations that can lead the community to understand the Islands Trust Conservancy story, and in that way to understand their part in protecting islands in the Salish Sea.

Strengthening Our Financial Supports

In 2020/2021, Islands Trust Conservancy strengthened its financial resiliency using a diversity of tools. Under its Fund Development Plan, the Conservancy began focussed outreach to donors and expanded its reach through partnership in the Canadian Association of Gift Planners' [Will Power](#) program. Will Power is a campaign to link donors and advisors to causes that matter to them and the Conservancy hopes to reach new audiences through partnership in the program.

In addition to support from donors, the Conservancy expanded its financial resiliency by starting a Property Management Fund and by securing grant funds for property management projects. Established using a contribution associated with the Sandy Beach Nature Reserve acquisition, the Property Management Fund will support large or unanticipated property management costs. The Fund will need to be grown before it can be applied to projects, so the Conservancy has also worked to secure grant funds. Grants in 2020/2021 included the funding from Environment and Climate Change Canada for a Species at Risk Program, noted above, and a \$25,000 grant from the Habitat Conservation Trust Foundation through the provincial COVID-19 Economic Stimulus Initiative (CESI). CESI funds will support wetland restoration work on Lasqueti and Sidney islands.

Build Strong Conservation Partners

Coastal Douglas-fir and Associated Ecosystems Conservation Partnership

Islands Trust Conservancy staff are members of the Coastal Douglas-fir and Associated Ecosystems Conservation Partnership (CDFCP) Steering Committee and Securement Committee. In 2020/2021 Islands Trust Conservancy collaborated with the CDFCP to provide a series of workshops to local governments.

“I loved this land when I bought it 34 years ago. I deliberately cleared as little as possible, and used all of what I did clear. I had considered NAPTEP for some time, and, [...] looking back, it has been one of the clearest actions in my life to say — we have got to stop wrecking the planet we live on.”

— Tom Knott, Myra Powers NAPTEP Covenant landholder, Hornby Island



Licorice ferns, Hornby Island. PHOTO: KRISTINE MAYES

Land Trust Alliance of British Columbia

Islands Trust Conservancy is a member of the Land Trust Alliance of British Columbia (LTABC). Founded in 1997, LTABC represents 35 land trust members across the province, providing resources, professional development, and advocacy services to the land trust community. In 2020/2021, Islands Trust Conservancy worked with LTABC and Environment and Climate Change Canada to create a resource about the impacts of conservation on property value: [Property Assessments on Conservation Lands](#).

Partnering to Address Invasive Species

Islands Trust Conservancy joined the Capital Region Invasive Species Partnership (CRISP) in 2019 and continued to work with the partnership in 2020/2021. This group of land managers, representing the local governments of the region, meets regularly to discuss invasive species prevention, control, containment, and eradication concerns, and to share knowledge and resources to tackle the growing problem of invasive species. CRISP also has strong connections with other coastal regional working groups and the province and this network has been an invaluable resource for Islands Trust Conservancy as they manage invasive species in our nature reserves and on conservation covenant lands.

Stewardship Education

Islands Trust Conservancy encourages islanders to get involved in conserving and stewarding private land by supporting conservation education and sharing information on best practices for land care. In 2020/2021, Islands Trust Conservancy promoted private land conservation through its website, the Heron newsletter (printed and online), e-news updates to subscribers, and Facebook posts. Islands Trust Conservancy brochures are also available in local libraries, real estate offices, and Islands Trust offices throughout the region.

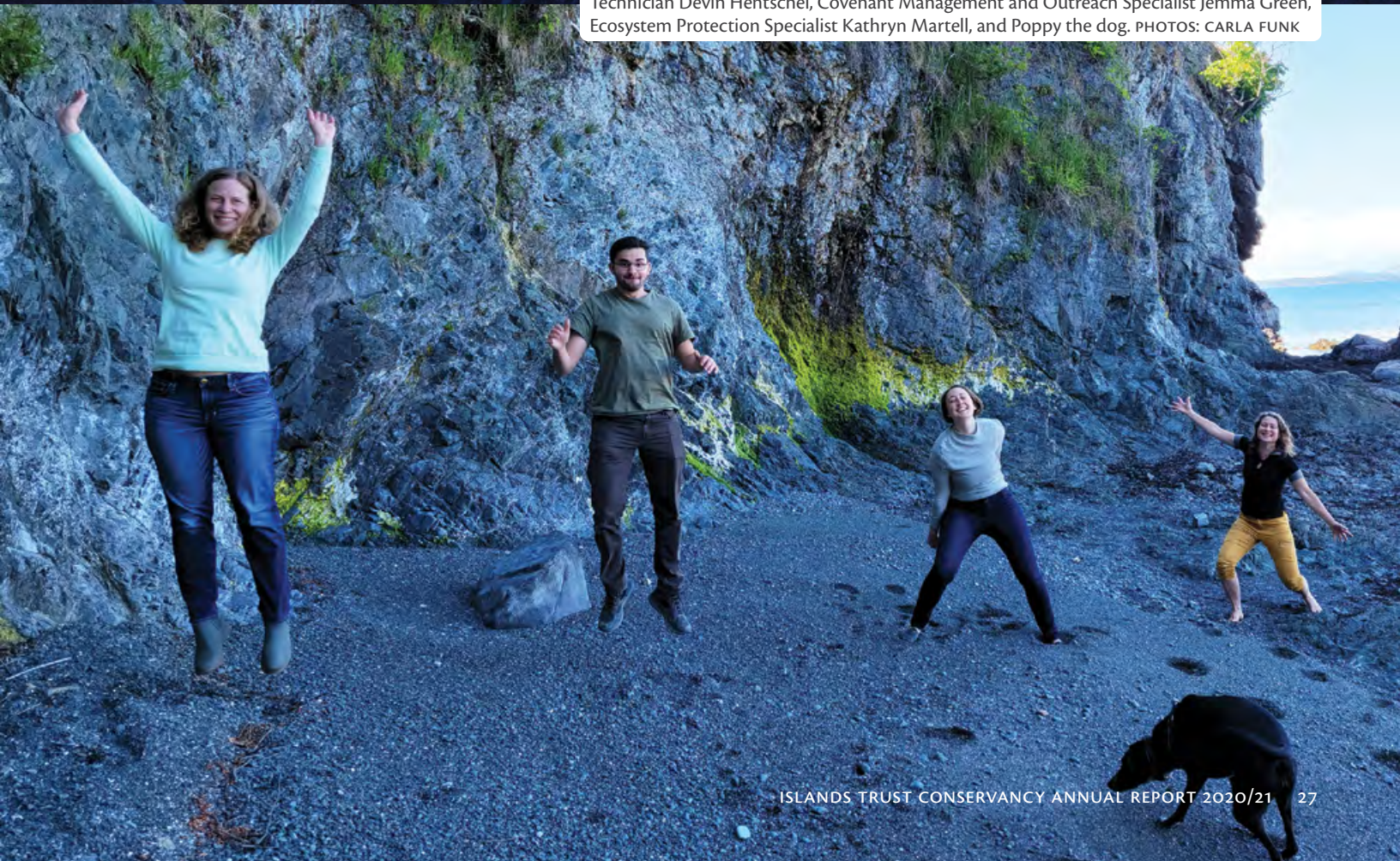
Concluding Statements

In times of uncertainty, people turn to the timelessness of nature. That local islanders and British Columbians, in general, continue to have the opportunity to enjoy the benefits of our fragile island biodiversity is due to the commitment of provincial leaders almost half a century ago, who had the wisdom and foresight to create a nature's trust on the islands in the Salish Sea.

The preserve and protect mandate of Islands Trust has become increasingly relevant since 1974, when then Minister of Municipal Affairs James Lorimer first proposed the creation of the *Islands Trust Act*. Land conservation was strengthened with the creation of Islands Trust Conservancy on April 1, 1990, which enabled land acquisition and receipt of donations from the public. Islands Trust Conservancy is pleased to be celebrating 30 years of land conservation in the Salish Sea.



Islands Trust Conservancy Property Management Specialist Nuala Murphy, Conservation Technician Devin Hentschel, Covenant Management and Outreach Specialist Jemma Green, Ecosystem Protection Specialist Kathryn Martell, and Poppy the dog. PHOTOS: CARLA FUNK



Appendix: Islands Trust Conservancy Financial Statements

Islands Trust Conservancy (Conservancy) prepares Financial Statements annually, in compliance with the requirements under section 46 of the Islands Trust Act.

Under the Islands Trust Act, the Conservancy may receive money, land and other property as donations or through grants in order to further the object of the Islands Trust. The Conservancy uses Canadian Public Sector Accounting Standards, including standards for government non-profit organizations, to manage its funds and land assets. The Conservancy currently holds and manages the following funds:

- **Opportunity Fund:** Used for unrestricted resources, most notably for the Opportunity Fund Grant Program.
- **Restricted Fund:** Used for internally and externally restricted assets, including grants, funds restricted for property management and funds restricted for land acquisition.
- **Capital Fund:** used to record the value of land donated, acquired or transferred without external restrictions.
- **Endowment Fund:** Used primarily for land that is restricted through the Ecological Gifts Program or through donation restrictions.

In its 2020/21 Financial Statements, the Conservancy recognizes the following items of note:

- grant funds for a new Species at Risk Program, funded by Environment and Climate Change Canada;
- acquisition of two new nature reserves: Sandy Beach Nature Reserve (3.3 hectares), Lhek'tines/Keats Island and the Lisa Baile Nature Reserve (4.0 hectares), SDAYES/North Pender Island; and,
- establishment of a new Property Management Fund.

While the Conservancy manages land and funds as noted in its Financial Statements, costs of Islands Trust Conservancy operations are the responsibility of Trust Council under the Trust Council budget process. Details on these costs are available in the Islands Trust Financial Statements.

Financial Statements of

**THE ISLANDS TRUST
CONSERVANCY**

And Independent Auditors' Report thereon

Year ended March 31, 2021



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INDEPENDENT AUDITORS' REPORT

To the Trustees of The Islands Trust Conservancy Board, the Trustees of Islands Trust and the Minister of Municipal Affairs and Housing

Opinion

We have audited the financial statements of the Islands Trust Conservancy (the Entity) which comprise:

- the statement of financial position as at March 31, 2021
- the statement of operations for the year then ended
- the statement of changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, except for the possible effects of the matter described in the 'Basis for Qualified Opinion' section of our auditors' report, the financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2021, and its results of operations, its changes in fund balances and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Entity derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Entity.

Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the statements of financial position as at March 31, 2021 and March 31, 2020
- the donations revenues and excess of revenues over expenses reported in the statements of operations for the years ended March 31, 2021 and March 31, 2020
- the fund balances, at the beginning and end of the year, reported in the statements of changes in fund balances for the years ended March 31, 2021 and March 31, 2020



- the excess of revenues over expenses reported in the statements of cash flows for the years ended March 31, 2021 and March 31, 2020.

Our opinion on the financial statements for the year ended March 31, 2020 was qualified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “**Auditors’ Responsibilities for the Audit of the Financial Statements**” section of our auditors’ report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, 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.

In preparing the financial statements, management is responsible for assessing the Entity’s ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.



We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Victoria, Canada

August 24, 2021

THE ISLANDS TRUST CONSERVANCY

Statement of Financial Position

March 31, 2021, with comparative information for 2020

	Opportunity Fund	Restricted Fund	Capital Fund	Endowment Fund	2021 Total	2020 Total
Assets:						
Current assets:						
Cash	\$ 15,754	\$ 348,420	\$ -	\$ -	\$ 364,174	\$ 196,907
Short-term investments (note 3)	-	189,225	-	88,000	277,225	249,433
Federal grants receivable	-	53,500	-	-	53,500	-
Due from Islands Trust	-	-	-	-	-	191
	15,754	591,145	-	88,000	694,899	446,531
Investments	-	-	-	-	-	113,155
Land (notes 4 and 6)	-	-	10,327,169	6,886,532	17,213,701	14,190,701
	\$ 15,754	\$ 591,145	\$ 10,327,169	\$ 6,974,532	\$ 17,908,600	\$ 14,750,387
Liabilities:						
Current liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,715
Due to Islands Trust	-	81,598	-	-	81,598	-
	-	87,598	-	-	81,598	3,715
Fund Balances:						
Unrestricted	15,754	-	-	-	15,754	21,731
Investment in land (note 4)	-	-	10,327,169	-	10,327,169	7,624,169
Internally restricted (note 5)	-	35,632	-	-	35,632	23,268
Externally restricted (note 5)	-	473,915	-	-	473,915	422,972
Restricted for endowment purposes (note 6)	-	-	-	6,974,532	6,974,532	6,654,532
	15,754	509,547	10,327,169	6,974,532	17,827,002	14,746,672
	\$ 15,754	\$ 591,145	\$ 10,327,169	\$ 6,974,532	\$ 17,908,600	\$ 14,750,387

The accompanying notes are an integral part of these financial statements.

Approved by the Trust Conservancy Board:



Board member



Board member

THE ISLANDS TRUST CONSERVANCY

Statement of Operations

Year ended March 31, 2021, with comparative information for 2020

	Opportunity Fund	Restricted Fund	Capital Fund	Endowment Fund	2021 Total	2020 Total
						(Schedule 2)
Revenue:						
Donations:						
Cash	\$ 15,938	\$ 1,025	\$ -	\$ -	\$ 16,963	\$ 209,405
Land	-	-	2,703,000	320,000	3,023,000	70,000
Grants	-	207,144	-	-	207,144	5,219
Rental income	-	10,455	-	-	10,455	10,306
Investment income (loss)	110	28,870	-	-	28,980	(6,119)
	16,048	247,494	2,703,000	320,000	3,286,542	288,811
Expenses:						
Repairs and maintenance - Alton property	-	9,108	-	-	9,108	2,595
Bank charges	31	79	-	-	110	31
Donations to conservancy groups	9,994	-	-	-	9,994	6,220
Species at Risk	-	187,000	-	-	187,000	-
	10,025	196,187	-	-	206,212	8,846
	\$ 6,023	\$ 51,307	\$ 2,703,000	\$ 320,000	\$ 3,080,330	\$ 279,965
Excess of revenue over expenses						

The accompanying notes are an integral part of these financial statements.

THE ISLANDS TRUST CONSERVANCY

Statement of Changes in Fund Balances

Year ended March 31, 2021, with comparative information for 2020

	Opportunity Fund	Restricted Fund	Capital Fund	Endowment Fund	Total
Fund balances, March 31, 2019	\$ 28,844	\$ 464,092	\$ 7,624,169	\$ 6,349,601	\$ 14,466,706
Excess (deficiency) of revenue over expenses	(2,613)	212,579	-	70,000	279,966
Interfund transfer	(4,500)	(230,431)	-	234,931	-
Fund balances, March 31, 2020	21,731	446,240	7,624,169	6,654,532	14,746,672
Excess (deficiency) of revenue over expenses	6,023	51,307	2,703,000	320,000	3,080,330
Interfund transfer (note 7)	(12,000)	12,000	-	-	-
Fund balances, March 31, 2021	\$ 15,754	\$ 509,547	\$ 10,327,169	\$ 6,974,532	\$ 17,827,002

The accompanying notes are an integral part of these financial statements.

THE ISLANDS TRUST CONSERVANCY

Statement of Cash Flows

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 3,080,330	\$ 279,966
Item not involving cash:		
Donation of land	(3,023,000)	(70,000)
Changes in non-cash operating working capital:		
Accounts payable	(3,715)	3,715
Federal grants receivable	(53,500)	-
Due to Islands Trust	81,789	(2,818)
	<u>81,904</u>	<u>210,863</u>
Capital activities:		
Cash paid to acquire land	-	(234,931)
Investing activities:		
Increase in short-term investments	(27,792)	(44,928)
(Increase) decrease in long-term investments	(806)	9,277
Redemption of investments	113,961	-
	<u>85,363</u>	<u>(35,651)</u>
Increase (decrease) in cash	167,267	(59,719)
Cash, beginning of year	196,907	256,626
Cash, end of year	<u>\$ 364,174</u>	<u>\$ 196,907</u>

The accompanying notes are an integral part of these financial statements.

THE ISLANDS TRUST CONSERVANCY

Notes to Financial Statements

Year ended March 31, 2021

The Islands Trust Conservancy (the “Trust Conservancy”) is incorporated under The Islands Trust Act of British Columbia and is empowered to accept donations, grants and bequests on behalf of The Islands Trust and to hold land and other property in compliance with a Trust Conservancy plan approved by the Ministry of Municipal Affairs and Housing.

The Islands Trust (the “Trust”) is also incorporated under The Islands Trust Act of British Columbia. The objectives of the Trust are to preserve and protect the Trust area and its unique amenities and environment for the benefit of the residents of the Trust area and of the Province generally.

The Trust Conservancy is administered by the Trust and for financial reporting purposes, the Trust and the Trust Conservancy are reported on separately. The Trust Conservancy’s annual expenses are funded by and reported as part of the Trust in accordance with The Islands Trust Act. These financial statements present the financial position and changes in fund balances of the Trust Conservancy.

1. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards including the 4200 standards for government not-for-profit organizations:

(a) Fund accounting:

The Trust Conservancy follows the restricted fund method of accounting for contributions.

The Opportunity Fund reports unrestricted resources.

The Restricted Fund reports the assets, liabilities, revenue and expenses related to internally and externally restricted assets.

The Capital Fund reports the assets, liabilities, revenue and expenses related to the Trust Conservancy’s capital assets.

The Endowment Fund reports resources that are contributed for endowment purposes.

(b) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Derivative instruments and equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. Management has elected to record all investments at fair value as they are managed and evaluated on a fair value basis.

Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations.

THE ISLANDS TRUST CONSERVANCY

Notes to Financial Statements

Year ended March 31, 2021

1. Significant accounting policies (continued):

(b) Financial instruments (continued):

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and any unrealized gain is adjusted through the statement of remeasurement gains and losses. When the asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains and losses are reversed and recognized in the statement of operations. During the years presented, there are no unrealized gains and losses, and as a result, no statement of remeasurement gains and losses has been included in these financial statements. All investments held by the Trust Conservancy are classified as Level 2 investments for fair value measurement and there were no changes in classification in the years presented.

(c) Land:

Purchased land is recorded at cost. Contributed land is recorded at estimated fair value at the date of contribution.

(d) Revenue recognition:

Restricted contributions are recorded as revenue of the appropriate restricted fund when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions are recorded as revenue of the Opportunity Fund in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Contributions for endowment are recorded as revenue in the Endowment Fund balance.

Interest income earned on Endowment Fund resources is restricted for the purpose of maintaining certain specified property and is recorded in the Restricted Fund. Interest income of internally restricted funds is recorded as revenue of the Restricted Fund. Other interest income is recorded as revenue of the Opportunity Fund when earned.

All other forms of income are recorded as revenue of the Opportunity Fund when received or receivable.

THE ISLANDS TRUST CONSERVANCY

Notes to Financial Statements

Year ended March 31, 2021

1. Significant accounting policies (continued):

(e) Liability for contaminated sites:

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) an environmental standard exists;
- (ii) contamination exceeds the environmental standard;
- (iii) the Trust Conservancy is directly responsible or accepts responsibility;
- (iv) it is expected that future economic benefits will be given up; and
- (v) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

(f) Natural assets:

The Trust Conservancy is fortunate to have, and to be mandated to protect, many natural assets in the Island Trust Area that reduce the need for engineered infrastructure that might otherwise be required by other government agencies to provide various services to the islands. This includes island aquifers (water storage and filtration); streams, ditches and wetlands (rain water management); forests (carbon sequestration); and foreshore areas (natural seawalls). Canadian public sector accounting standards do not provide for the valuation and recording of such assets in the financial statements. As such, these natural assets are not reported in these financial statements. Nevertheless, the Conservancy acknowledges the importance of these assets and the need to manage them in conjunction with engineered infrastructure that is managed by other government agencies.

(g) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the period. Significant estimates include assumptions used in estimating the fair value of contributed land at the date of contribution. Actual results could differ from those estimates.

2. COVID-19 Pandemic:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The pandemic impacted the Conservancy's operations resulting in a decrease in certain types of revenue, and changes in expenses and cash flows. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the Conservancy is not practicable at this time.

THE ISLANDS TRUST CONSERVANCY

Notes to Financial Statements

Year ended March 31, 2021

3. Short-term investments:

Short-term investments consist of an endowment fund with the Victoria Foundation and Municipal Finance Authority of British Columbia ("MFA") Short Term Bond and Money Market Funds. Investments in MFA Funds are recorded at market value.

4. Land:

	Acquisition date	2021	2020
Inner Island Nature Reserve, Denman Island	1992	\$ 70,000	\$ 70,000
Coats Millstone Reserve, Gabriola Island	1994	100,000	100,000
Medicine Beach Nature Sanctuary, North Pender Island	1996	477,000	477,000
Cunningham Reserve, Salt Spring Island	1994	265,000	265,000
Deep Ridge Reserve, Salt Spring Island	1992	255,000	255,000
Lower Mt. Erskine Nature Reserve, Salt Spring Island	1996	284,000	284,000
Kwel Nature Sanctuary, Lasqueti Island	1997	195,497	195,497
Singing Woods Nature Reserve, Bowen Island	1999	157,000	157,000
Trincomali Nature Sanctuary, Galiano Island	2001	242,406	242,406
Horton Bayviary Nature Reserve, Mayne Island	2002	210,000	210,000
Morrison Marsh Nature Reserve, Denman Island	2006	438,000	438,000
Brigade Bay Bluffs Nature Reserve, Gambier Island	2006	150,000	150,000
Long Bay Wetland Nature Reserve, Gambier Island	2006	305,000	305,000
Elder Cedar Nature Reserve, Gabriola Island	2007	658,000	658,000
Mount Artaban Nature Reserve, Gambier Island	2009	1,177,000	1,177,000
Fairy Fen Nature Reserve, Bowen Island	2011	1,817,000	1,817,000
Laughlin Lake Nature Reserve, Galiano Island	2013	56,000	56,000
Vanilla Leaf Land Nature Reserve, Galiano Island	2014	217,000	217,000
Fairy Slipper Forest Nature Reserve, Thetis Island	2017	550,266	550,266
Sandy Beach Nature Reserve, Keats Island	2021	2,703,000	-
		\$ 10,327,169	\$ 7,624,169

THE ISLANDS TRUST CONSERVANCY

Notes to Financial Statements

Year ended March 31, 2021

5. Restricted Fund balances:

	2021	2020
Internally restricted:		
McFadden Creek management fund	\$ 23,632	\$ 23,268
Property Management fund	12,000	-
	35,632	23,268
Externally restricted:		
Alton Nature Reserve - maintenance fund	160,128	130,590
Morrison Fund	20,294	20,269
Covenant Defense Fund	115,273	113,508
Lasqueti Acquisition Fund	35,304	33,069
Gambier Acquisition Fund	129,121	124,243
Thetis Island Acquisition Fund	1,295	1,293
Conservation Stimulus Fund	12,500	-
	473,915	422,972
	\$ 509,547	\$ 446,240

6. Restricted for endowment purposes:

	Acquisition date	2021	2020
Short-term investments			
Alton Nature Reserve - maintenance	2002	\$ 88,000	\$ 88,000
Land:			
Lindsay Dickson Nature Reserve, Denman Island	2001	2,200,000	2,200,000
Alton Nature Reserve, Salt Spring Island	2002	454,000	454,000
McFadden Creek Nature Sanctuary, Salt Spring Island	2015	422,601	422,601
Properties acquired under the Federal Government Ecological Gifts program:			
Mt. Trematon Nature Reserve, Lasqueti Island	2006	320,000	320,000
David Otter Nature Reserve, Bowen Island	2007	620,000	620,000
John Osland Nature Reserve, Lasqueti Island	2012	890,000	890,000
Valens Brook Nature Reserve, Denman Island	2013	280,000	280,000
Burren's Acres Nature Reserve, Gabriola Island	2014	210,000	210,000
Moore Hill Nature Reserve, Thetis Island	2017	780,000	780,000
Valens Brook Nature Reserve, Denman Island	2019	85,000	85,000
Salish View Nature Reserve, Lasqueti Island	2020	304,931	304,931
Baile Nature Reserve, North Pender Island	2021	320,000	-
		6,886,532	6,566,532
		\$ 6,974,532	\$ 6,654,532

THE ISLANDS TRUST CONSERVANCY

Notes to Financial Statements

Year ended March 31, 2021

6. Restricted for endowment purposes (continued):

Investment gains (losses) on endowment funds for the year of \$22,914 (2020 - (\$13,127)) have been recorded in the Restricted Fund.

Two properties owned by the Trust Conservancy, the Lindsay Dickson property on Denman Island, and the Alton property on Salt Spring Island, were donated on the condition that the properties be used and managed in certain ways. The Lindsay Dickson property was donated “for so long as the land is used as a nature reserve for the use, benefit and enjoyment of the residents of B.C.”. The Alton property is to be held, managed and preserved for its ecological environment and scenic features and not as a recreational park. The residence, gardens and driveway are to be preserved and managed for non-profit purposes.

In the event that these properties are not managed accordingly, the properties could revert to the Province of British Columbia in the case of the Lindsay Dickson Nature Reserve and to the Executors of the donor’s estate in the case of the Alton Nature Reserve.

In 2015, the McFadden Creek Nature Sanctuary on Salt Spring Island was donated to the Trust Conservancy on the condition that the property was to be protected, preserved and maintained in its natural state. Should a disposition of this property ever be triggered, there is a Right of First Refusal on the property in favor of the Wild Bird Trust of BC.

Certain properties as listed in the preceding table were acquired under the Federal Government Ecological Gift program. Recipients of ecological gifts are responsible for maintaining the biodiversity and environmental heritage values of the property in perpetuity.

7. Interfund transfer:

During the year, there was an interfund transfer of \$12,000 from the Opportunity Fund to the Restricted Fund representing cash contributions associated with the acquisition of the Sandy Beach Nature Reserve on Keats Island.

8. Related party:

The Trust is related to the Trust Conservancy through the composition of the Trust Conservancy’s Board. The Trust Conservancy’s Board is comprised of three members from the Trust’s Council and up to three members appointed by the Minister of Municipal Affairs and Housing.

The Trust Conservancy’s annual expenses are funded by and reported as part of the Trust in accordance with The Islands Trust Act. The expenses are summarized as follows:

	2021	2020
Operations and property management	\$ 701,124	\$ 527,344
Board	5,378	19,043
Administration	232,547	216,627
	<u>\$ 939,049</u>	<u>\$ 763,014</u>

For the year ended March 31, 2021, amounts owing to Islands Trust were \$81,598 (2020 - nil).

THE ISLANDS TRUST CONSERVANCY

Notes to Financial Statements

Year ended March 31, 2021

9. Financial risks and concentration of risk:

The Trust Conservancy's financial instruments consist of cash, short-term investments, investments and amounts due to Islands Trust. It is management's opinion that the Trust Conservancy is not exposed to significant interest, currency or credit risk arising from these financial instruments. The maximum exposure to credit risk at March 31, 2021 is the carrying value of cash, short-term investments and investments. The Trust Conservancy deals with creditworthy counterparties to mitigate credit risk. The Trust Conservancy manages its liquidity risk by monitoring its operating requirements. Interest rate risk is not significant due to the short term nature of investments held. There have been no significant changes to risk exposure in the years presented.

THE ISLANDS TRUST CONSERVANCY

Statement of Financial Position

Schedule 1

March 31, 2020

	Opportunity Fund	Restricted Fund	Capital Fund	Endowment Fund	2020 Total
Assets:					
Current assets:					
Cash	\$ 25,205	\$ 171,702	\$ -	\$ -	\$ 196,907
Short-term investments (note 2)	-	161,433	-	88,000	249,433
Inventory of fundraising items	26	165	-	-	191
	25,231	333,300	-	88,000	446,531
Investments	-	113,155	-	-	113,155
Land (notes 4 and 6)	-	-	7,624,169	6,566,532	14,190,701
	\$ 25,231	\$ 446,455	\$ 7,624,169	\$ 6,654,532	\$ 14,750,387
Liabilities:					
Current liabilities:					
Accounts payable	\$ 3,500	\$ 215	\$ -	\$ -	\$ 3,715
Due to Islands Trust	-	-	-	-	-
	3,500	215	-	-	3,715
Fund Balances:					
Unrestricted	21,731	-	-	-	21,731
Investment in land (note 4)	-	-	7,624,169	-	7,624,169
Internally restricted (note 5)	-	23,268	-	-	23,268
Externally restricted (note 5)	-	422,972	-	-	422,972
Restricted for endowment purposes (note 6)	-	-	-	6,654,532	6,654,532
	21,731	446,240	7,624,169	6,654,532	14,746,672
	\$ 25,231	\$ 446,455	\$ 7,624,169	\$ 6,654,532	\$ 14,750,387

THE ISLANDS TRUST CONSERVANCY

Statement of Operations

Schedule 2

Year ended March 31, 2020

	Opportunity Fund	Restricted Fund	Capital Fund	Endowment Fund	2020 Total
Revenue:					
Donations:					
Cash	\$ 3,486	\$ 205,919	\$ -	\$ -	\$ 209,405
Land	-	-	-	70,000	70,000
Grants	-	5,219	-	-	5,219
Rental income	-	10,306	-	-	10,306
Investment income (loss)	152	(6,271)	-	-	(6,119)
	3,638	215,173	-	70,000	288,811
Expenses:					
Repairs and maintenance - Alton property	-	2,594	-	-	2,595
Bank charges	31	-	-	-	31
Donations to conservancy groups	6,220	-	-	-	6,220
	6,251	2,594	-	-	8,846
	\$ (2,613)	\$ 212,579	\$ -	\$ 70,000	\$ 279,965
Excess (deficiency) of revenue over expenses					

The accompanying notes are an integral part of these financial statements.

If you are reading a print version of this report, you can access hyperlinks by going to the online version at islandstrust.bc.ca/about-us/accountability/annual-report/

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ISLANDS TRUST CONSERVANCY



Islands Trust