

**GREENROCK**

**Unaudited Financial Statements**  
(With Independent Accountants' Review  
Engagement Report Thereon)

For the 42 month period from July 1, 2011  
to December 31, 2014  
(with comparative figures for the year  
ended June 30, 2011)



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## **INDEPENDENT ACCOUNTANTS' REVIEW ENGAGEMENT REPORT**

### **To the Executive Members of Greenrock**

We have reviewed the statement of financial position of Greenrock (the "Charity") as at December 31, 2014, and the statements of operations and changes in fund balances and cash flows for the 42 month period from July 1, 2011 to December 31, 2014. Our review was made in accordance with generally accepted standards for review engagements in Bermuda and Canada and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the Charity.

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 accounting standards for not-for-profit organizations generally accepted in Bermuda and Canada.

The supplementary information included in Schedules 1-5 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the limited procedures applied in a review of the financial statements and nothing has come to our attention that causes us to believe that such information is not, in all material respects fairly stated in relation to the financial statements taken as a whole.

*KPMG Audit Limited*

Chartered Professional Accountants  
Hamilton, Bermuda  
March 10, 2016

**GREENROCK**

## Statement of Financial Position (Unaudited)

As at December 31, 2014

*(Expressed in Bermuda Dollars)*

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	December 31, <u>2014</u>	June 30, <u>2011</u>	July 1, <u>2010</u>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 70,442	\$ 60,606	\$ 127,792
Accounts receivable	10,090	–	30,067
Other assets	–	4,023	5,081
Prepaid expenses	<u>–</u>	<u>–</u>	<u>303</u>
<b>Total current assets</b>	80,532	64,629	163,243
<b>Non-current assets</b>			
Capital assets (Note 5)	<u>12,526</u>	<u>1,133</u>	<u>–</u>
<b>Total assets</b>	\$ 93,058	\$ 65,762	\$ 163,243
<b>Liabilities</b>			
Accounts payable	\$ 24,655	\$ 21,920	8,890
Deferred contributions (Note 4)	<u>44,976</u>	<u>16,421</u>	<u>34,473</u>
<b>Total liabilities</b>	69,631	38,341	43,363
<b>Fund balance</b>			
Operating fund	<u>23,427</u>	<u>27,421</u>	<u>119,880</u>
<b>Total liabilities and fund balance</b>	\$ 93,058	\$ 65,762	\$ 163,243

*See accompanying notes and schedules to unaudited financial statements*

Signed on behalf of Greenrock

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Director

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Director

**GREENROCK**

## Statement of Operations and Changes in Fund Balances (Unaudited)

For the 42 month period from July 1, 2011 to December 31, 2014 (with comparative figures for the year ended June 30, 2011)

*(Expressed in Bermuda Dollars)*

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	December 31, <u>2014</u> (42 months)	June 30, <u>2011</u> (12 months)
<b>Revenues</b>		
Donations (Note 7)	\$ 201,160	\$ 30,837
Membership Revenues	29,600	-
Special events		
Earth Hour Event (Schedule 1)	96,629	33,000
Savings for Seniors (Schedule 3)	25,000	-
Green Expo	<u>-</u>	<u>14,734</u>
	121,629	47,734
Campaigns		
Healthy Harvest (Schedule 4)	99,555	5,788
Eco Schools (Schedule 5)	<u>71,381</u>	<u>12,264</u>
	170,936	18,052
Total revenues	<u>523,325</u>	<u>96,623</u>
<b>Expenses</b>		
Special events		
Earth Hour Event (Schedule 1)	87,676	31,368
Savings for Seniors (Schedule 3)	19,891	-
Green Expo	<u>-</u>	<u>52,673</u>
	107,567	84,041
Campaigns		
Eco Schools (Schedule 5)	74,208	12,264
Healthy Harvest (Schedule 4)	67,887	5,788
Water Explorers (Schedule 2)	7,712	-
Other Campaigns	<u>-</u>	<u>299</u>
	149,807	18,351

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*See accompanying notes and schedules to unaudited financial statements*

**GREENROCK**

## Statement of Operations and Changes in Fund Balances (Unaudited) - continued

For the 42 month period from July 1, 2011 to December 31, 2014 (with comparative figures for the year ended June 30, 2011)

*(Expressed in Bermuda Dollars)*

	December 31, <u>2014</u> (42 months)	June 30, <u>2011</u> (12 months)
<b>Expenses</b> (continued)		
Executive Director payroll	108,619	47,104
Event costs	51,666	-
Information technology	49,103	15,398
Advertising	15,399	-
Professional fees (Note 7)	14,757	19,135
Depreciation (Note 5)	13,659	324
Other	8,233	504
Awards	4,966	-
Bank charges	2,080	534
Telephone	1,463	3,801
Miscellaneous	<u>-</u>	<u>(110)</u>
	269,945	86,690
	<u>527,319</u>	<u>189,082</u>
Total expenses		
	(3,994)	(92,459)
Deficiency of revenues over expenses	<u>27,421</u>	<u>119,880</u>
Fund balance, beginning of year		
Fund balance, end of year	<u>\$ 23,427</u>	<u>\$ 27,421</u>

*See accompanying notes and schedules to unaudited financial statements*

**GREENROCK**

## Statement of Cash Flows (Unaudited)

For the 42 month period from July 1, 2011 to December 31, 2014 (with comparative figures for the year ended June 30, 2011)

*(Expressed in Bermuda Dollars)*

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	December 31, <u>2014</u> (42 months)	June 30, <u>2011</u> (12 months)
<b>Cash flows from operating activities</b>		
Deficiency of revenues over expenses	\$ (3,994)	\$ (92,459)
Adjustments for:		
Depreciation	13,659	324
Changes in non-cash working capital items:		
Accounts receivable	(10,090)	30,067
Other assets	4,023	1,058
Prepaid expenses	-	303
Accounts payable	2,735	13,030
Deferred contributions	<u>28,555</u>	<u>(18,052)</u>
Net cash generated by (used in) operating activities	<u>34,888</u>	<u>(65,729)</u>
<b>Cash flows from investing activities</b>		
Purchase of capital assets	<u>(25,052)</u>	<u>(1,457)</u>
Net cash used in investing activities	<u>(25,052)</u>	<u>(1,457)</u>
Net increase in cash and cash equivalents	9,836	(67,186)
Cash and cash equivalents at beginning of period	<u>60,606</u>	<u>127,792</u>
Cash and cash equivalents at end of period	\$ <u>70,442</u>	\$ <u>60,606</u>
Represented by:		
Cash	\$ 35,008	\$ 25,172
Term deposit	<u>35,434</u>	<u>35,434</u>
	\$ <u>70,442</u>	\$ <u>60,606</u>

*See accompanying notes and schedules to unaudited financial statements*

# GREENROCK

Notes to Unaudited Financial Statements

December 31, 2014

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## 1. Purpose of the organisation

Greenrock (the “Charity”) was established on July 14, 2004 and is registered under the Bermuda Charities Act 2014 (previously the Charities Act 1978). The organization was originally called The Greenrock Project. Its name was changed to Greenrock on October 1, 2007.

Established as a non-profit organization, Greenrock is working to empower individuals and companies to do their part in making Bermuda socially, economically and environmentally more sustainable for future generations.

## 2. Adoption of accounting standards for not-for-profit organizations

Effective July 1, 2011, the Charity adopted the requirements of the Chartered Professional Accountants of Canada (“CPA Canada”) Handbook – Accounting Part III: Accounting Standards for Not-for-Profit Organizations (“ASNFPPO”). These are the Charity’s first financial statements prepared in accordance with ASNFPPO and the transitional provisions of Section 1501, First-time Adoption have been applied. Section 1501, requires retrospective application of the accounting standards with certain elective exemptions and limited retrospective exceptions. The accounting policies set out in the following significant accounting policies note have been applied in preparing the financial statements for the period ended December 31, 2014, the comparative information presentation in these financial statements for the year ended June 30, 2011 and in the preparation of an opening ASNFPPO balance sheet at July 1, 2010, the date of transition.

The Charity issued financial statements for the year ended June 30, 2011 using generally accepted accounting standards in Bermuda and Canada as contained in Part V of the CPA Canada Handbook. The adoption of ASNFPPO has resulted in no transitional adjustments to the previously reported revenues, expenditures and cash flows of the Charity. There have been no adjustments to the previously reported assets, liabilities and fund balance of the Charity.

## 3. Significant accounting policies

These financial statements have been prepared in accordance with ASNFPPO generally accepted in Bermuda and Canada. The preparation of financial statements in conformity with generally ASNFPPO requires management to make estimates and assumptions that affect the reported amount 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 those estimates. The following are the significant accounting policies adopted by Greenrock:

### a) Revenue recognition

Greenrock follows the deferral method of accounting for contributions which include donations, special events and campaign revenues. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are deferred and recognized as revenue in the year in which the related expenses are recognized.

Revenue from the sale of merchandise is recognized at the time of sale. Membership fees are recognized as revenue for the period for which they are received. Revenues from special events and campaigns are recognized when the corresponding event or campaign takes place. All other income is recognized on the accruals basis when earned.

# GREENROCK

Notes to Unaudited Financial Statements

December 31, 2014

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### 3. Significant accounting policies (continued)

#### b) Donated services

Greenrock records the value of donated goods and services at fair value when the fair value can be reasonably estimated and the goods and services are normally purchased and would be paid for if not donated. Because of the difficulty of determining their value, contributed services of volunteers are not recognized in these financial statements.

#### c) Cash and cash equivalents

Cash and cash equivalents include demand deposits and deposits held with financial institutions with an original maturity of 90 days or less. The effective interest rate on term deposits was nil % (2011 - nil%) per annum.

#### Capital assets

#### d) Capital assets are stated at cost less accumulated depreciation and accumulated impairment losses and are depreciated on a straight-line basis over their estimated useful lives, from the date that they are installed and ready for use at the following rates:

Water stations	25%
Computer equipment	33%

Cost includes expenditure that is directly attributable to the acquisition of the asset. Fully depreciated assets are removed from the balance sheet when they are no longer in use.

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset ("value in use"). If the carrying amount of an asset exceeds its value in use, an impairment charge is recognized as the amount by which the carrying amount of the asset exceeds the value in use.

#### e) Financial instruments

Greenrock's financial instruments consist of cash and cash equivalents, accounts receivable and accounts payable. Cash and cash equivalents are measured at fair value at the end of the year. Accounts receivable are measured at amortized cost using the effective interest method, less any adjustment for impairment. Accounts payable are measured at amortized cost using the effective interest method.

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Notes to Unaudited Financial Statements

December 31, 2014

**4. Deferred contributions**

Deferred contributions relate to expenses of future periods and represent unspent externally restricted grants and donations for specific projects. Externally restricted contributions are deferred and recognised as revenue in the year in which the related expenses are recognised.

	<u>June 30,</u> <u>2011</u>			<u>December 31,</u> <u>2014</u>
	Opening deferred <u>contributions</u>	Contributions <u>received</u>	Recognized <u>as revenue</u>	Ending deferred <u>contributions</u>
Eco Schools	\$ 9,449	\$ 67,433	\$ 71,381	\$ 5,501
Membership	-	29,475	-	29,475
Healthy Harvest	<u>6,972</u>	<u>102,583</u>	<u>99,555</u>	<u>10,000</u>
	<u>\$ 16,421</u>	<u>\$ 199,491</u>	<u>\$ 170,936</u>	<u>\$ 44,976</u>

	<u>July 1,</u> <u>2010</u>			<u>June 30,</u> <u>2011</u>
	Opening deferred <u>contributions</u>	Contributions <u>received</u>	Recognized <u>as revenue</u>	Ending deferred <u>contributions</u>
Eco Schools	\$ 21,713	\$ -	\$ 12,264	\$ 9,449
Healthy Harvest	<u>12,760</u>	<u>-</u>	<u>5,788</u>	<u>6,972</u>
	<u>\$ 34,473</u>	<u>\$ -</u>	<u>\$ 18,052</u>	<u>\$ 16,421</u>

**5. Capital assets**

	<u>December 31,</u> <u>2014</u>			<u>June 30,</u> <u>2011</u>	<u>July 1,</u> <u>2010</u>
	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Net book value</u>	<u>Net book value</u>	<u>Net book value</u>
Computer equipment	\$ 1,457	\$ 1,457	\$ -	\$ 1,133	\$ -
Water stations	<u>25,052</u>	<u>12,526</u>	<u>12,526</u>	<u>-</u>	<u>-</u>
	<u>\$ 26,509</u>	<u>\$ 13,983</u>	<u>\$ 12,526</u>	<u>\$ 1,133</u>	<u>\$ -</u>

The cost and accumulated depreciation of capital assets at June 30, 2011 were \$1,457 and \$324 respectively.

## **GREENROCK**

Notes to Unaudited Financial Statements

December 31, 2014

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### **6. Related party transactions**

During the period ended December 31, 2014, Greenrock incurred expenses totaling \$54,683 (2011 - \$nil) for IT support provided by members of the Greenrock Board of Directors.

During the period, Greenrock incurred expenses totaling \$18,176 (2011 - \$39,538) for event management and film production services provided by a company associated to a member of the Greenrock Board of Directors. Included in this charge is the reimbursement of third party vendors.

All related party transactions are measured at the exchange amount of consideration established and agreed between the related parties.

### **7. Donations**

Included in donations are professional fees for the period ended December 31, 2014 of \$10,000 (2011 - \$12,000) and telephone charges of \$4,200 (2011 - \$3,801) which represent the fair value of donated services provided to Greenrock.

### **8. Financial assets and financial liabilities**

The carrying values of cash and cash equivalents, accounts receivable and accounts payable approximate their fair values because of the relatively short period to maturity of the instruments.

Greenrock is not exposed to any significant credit risk, liquidity risk or market risk.

### **9. Capital management and going concern**

Greenrock defines capital, for its own purpose, as the cumulative operating fund balance. During the period ended December 31, 2014, Greenrock's objective when managing capital, which was unchanged from the prior year, was to hold sufficient funds to enable it to withstand negative unexpected financial events and continue as a going concern. Greenrock seeks to achieve this objective by minimizing its exposure to financial leverage and variable financial obligations and by holding cash and term deposits to maintain liquidity to enable it to meet its obligations as they become due. As at December 31, 2014, Greenrock's accumulated fund balance amounted to \$23,427 (2011 - \$27,421). Greenrock is not subject to any externally imposed requirements on capital.

Greenrock's ability to continue as a going concern depends on obtaining sufficient donations to support its various initiatives and general operating costs. While the Charity has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. The Board of Directors is confident that these initiatives will continue to enable Greenrock to fulfill its mandate and meet its obligations. These financial statements have been prepared in accordance with accounting standards for not-for-profit organizations general accepted in Canada and Bermuda applicable to a going concern. If the use of the going concern basis was not appropriate, adjustments may be necessary in the carrying amount and classification of assets, liabilities and expenses in these financial statements.

## Earth Hour Event – Statement of Revenues and Expenses

December 31, 2014

*(Expressed in Bermuda Dollars)*


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	December 31, <u>2014</u> (42 months)	June 30, <u>2011</u> (12 months)
<b>Revenues</b>		
Donations	\$ <u>96,629</u>	\$ <u>33,000</u>
	<u>96,629</u>	<u>33,000</u>
<b>Expenses</b>		
Advertising	30,742	13,519
Event costs	20,957	11,475
Payroll	21,208	4,776
Other	<u>14,769</u>	<u>1,598</u>
	<u>87,676</u>	<u>31,368</u>
<b>Excess of revenues over expenses</b>	<u>\$ 8,953</u>	<u>\$ 1,632</u>

## Water Explorers - Statement of Revenues and Expenses

December 31, 2014

*(Expressed in Bermuda Dollars)*

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	December 31, <u>2014</u> (42 months)	June 30, <u>2011</u> (12 months)
<b>Revenues</b>		
Donations	\$ -	\$ -
<b>Expenses</b>		
Program delivery	6,208	-
Meeting and conference expenses	1,454	-
Information technology	<u>50</u>	<u>-</u>
	7,712	-
	<u>          </u>	<u>          </u>
<b>Deficiency of revenues over expenses</b>	\$ (7,712)	\$ -
	<u>          </u>	<u>          </u>

## Savings for Seniors - Statement of Revenues and Expenses

December 31, 2014

*(Expressed in Bermuda Dollars)*

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	December 31, <u>2014</u> (42 months)	June 30, <u>2011</u> (12 months)
<b>Revenues</b>		
Donations	\$ 25,000	\$ -
<b>Expenses</b>		
Materials and installation	<u>19,891</u>	<u>-</u>
<b>Excess of revenues over expenses</b>	\$ <u>5,109</u>	\$ <u>-</u>

## Healthy Harvest - Statement of Revenues and Expenses

December 31, 2014

*(Expressed in Bermuda Dollars)*


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	December 31, <u>2014</u> (42 months)	June 30, <u>2011</u> (12 months)
<b>Revenues</b>		
Donations	\$ 99,555	\$ 5,788
<b>Expenses</b>		
Consulting	37,667	1,278
Payroll	22,082	2,518
Materials	8,138	-
Advertising	<u>-</u>	<u>1,992</u>
	67,887	5,788
	<u>-</u>	<u>-</u>
<b>Excess of revenues over expenses</b>	<b>\$ 31,668</b>	<b>\$ -</b>
	<u><u>-</u></u>	<u><u>-</u></u>

## Eco Schools - Statement of Revenues and Expenses

December 31, 2014

*(Expressed in Bermuda Dollars)*

	December 31, <u>2014</u> (42 months)	June 30, <u>2011</u> (12 months)
<b>Revenues</b>		
Donations	\$ 71,381	\$ 12,264
<b>Expenses</b>		
Project management	23,897	1,050
Payroll	21,885	6,729
Conferences and memberships	11,384	-
Consulting (green school engineering)	11,154	4,485
Other expenses	3,019	-
Rent	<u>2,869</u>	<u>-</u>
	74,208	12,264
	<u>          </u>	<u>          </u>
<b>Deficiency of revenues over expenses</b>	<b>\$ (2,827)</b>	<b>\$ -</b>
	<u>          </u>	<u>          </u>