

WORLD FISHERIES TRUST

FINANCIAL STATEMENTS

JUNE 30, 2012

WORLD FISHERIES TRUST

FINANCIAL STATEMENTS

JUNE 30, 2012

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INDEPENDENT AUDITORS' REPORT

To the Members of World Fisheries Trust:

Report on Financial Statements

We have audited the statement of financial position of World Fisheries Trust as at June 30, 2012 and the statement of operations, statement of changes in net assets and statement of cash flow for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the Society derives a part of its revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, assets and net assets.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial statements of World Fisheries Trust as at June 30, 2012 and its financial performance and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the Society Act of British Columbia, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Comparative Financial statements

The 2011 comparative financial statements were audited by another firm of Chartered Accountants.



CHARTERED ACCOUNTANTS

Richmond, BC
September 21, 2012

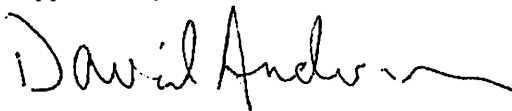


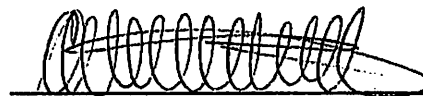
WORLD FISHERIES TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2012

	2012	2011
ASSETS		
Current		
Cash	\$ 117,639	\$ 121,517
Accounts receivable	44,816	96,646
Accounts receivable from employees	7,165	11,332
HST receivable	473	3,933
	170,093	233,428
Capital assets <i>[Note 4]</i>	274	227
	\$ 170,367	\$ 233,655
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 12,006	\$ 29,232
Wages payable	70,452	64,381
Due to related parties <i>[Note 5]</i>	18,564	18,837
	101,022	112,450
NET ASSETS		
Unrestricted	69,345	121,205
	\$ 170,367	\$ 233,655

Commitments *[Note 6]*

Approved by the Board:





See Notes to Financial Statements

WORLD FISHERIES TRUST
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2012

	2012	2011
Revenue		
Government grants	\$ 418,750	\$ 661,469
Commercial services	42,285	5,836
Donation revenue	18,403	13,514
Foundation grants	600	11,100
Miscellaneous income	149	16,854
	480,187	708,773
Expense		
Salaries & wages	273,494	236,881
Travel	101,778	212,404
Sub-contracts	78,083	79,298
Rental expense	16,120	15,119
Field expenses	14,322	9,649
Professional fees	13,864	21,888
Translation	6,252	7,572
Office	6,088	11,025
Write-off of receivables	4,167	-
Memberships & resources	4,037	1,181
Insurance	3,984	3,822
Interest & bank charges	2,987	3,182
Design, graphics & reports	2,746	31,908
Telephone	2,186	6,838
Meals & entertainment	1,186	27,543
Meeting costs	577	6,158
Amortization	176	113
Donation expense	-	1,198
	532,047	675,779
Excess (deficiency) of revenue over expenses	\$ (51,860)	\$ 32,994

See Notes to Financial Statements

WORLD FISHERIES TRUST
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012

	Total 2012	Total 2011
Balance, beginning of year	\$ 121,205	\$ 88,211
Excess (deficiency) of revenue over expenses	(51,860)	32,994
Balance, end of year	\$ 69,345	\$ 121,205

See Notes to Financial Statements

WORLD FISHERIES TRUST
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2012

	2012	2011
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ (51,860)	\$ 32,994
Items not involving cash		
Amortization	176	113
	(51,684)	33,107
Changes in non-cash working capital		
Accounts receivable	51,830	98,975
Accounts receivable from employees	4,167	3,949
HST receivable	3,460	(3,712)
Accounts payable and accrued liabilities	(17,226)	1,579
Accounts payable to employees	-	(26,962)
Wages payable	6,071	38,534
Due to related parties	(273)	(23,094)
	(3,655)	122,376
INVESTING ACTIVITIES		
Purchase of capital assets	(223)	-
	(223)	-
Change in cash	(3,878)	122,376
Cash, beginning of year	121,517	(859)
Cash, end of year	\$ 117,639	\$ 121,517

See Notes to Financial Statements

WORLD FISHERIES TRUST

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

1. Purpose of the Society

World Fisheries Trust (the "Society") is incorporated under the Province of British Columbia Society Act, and is a registered charity under the Income Tax Act. The Society is dedicated to the equitable and sustainable use and conservation of aquatic biodiversity.

2. Significant accounting policies

Capital assets

Capital assets consist of property and equipment and are recorded at cost. Amortization is recorded using the straight line method at the following rates:

Computer	3 year straight line
Equipment	5 year straight line

Revenue recognition

Government grants, commercial services, donations, and foundation grants are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Revenue is recognized when earned as each milestone of a project is reached.

Contributed services

The Society benefits from donated services in the form of volunteer time in assisting the Society to carry out its activities. Because of the difficulty of determining the number of hours and their fair value, volunteer time is not reflected in these financial statements.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

WORLD FISHERIES TRUST
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

3. Economic dependence

The Society is economically dependent upon grants from government agencies, where it derives approximately 87% (2011 - 93%) of its revenues. Should the funding from the government agencies change, the livelihood of the Society would be doubtful.

4. Capital assets

		Cost	Accumulated Amortization	2012 Net Book Value
Computer	\$	223	\$ 74	\$ 149
Equipment		510	385	125
	\$	733	\$ 459	\$ 274

		Cost	Accumulated Amortization	2011 Net Book Value
Equipment	\$	510	\$ 283	\$ 227
	\$	510	\$ 283	\$ 227

5. Related party transactions

	2012	2011
These transactions are held in the normal course of operations at fair market value agreed upon by all related parties.		
Due to Joachim Carolsfeld (executive director):		
Balance of travel expense fund carried forward for reconciliation in subsequent expense reports. This is in the normal course of business and treated the same as any other employee.	\$ 18,564	\$ 18,837
Rent paid to Catherine Carolsfeld (spouse of the executive director)	14,400	14,400
	\$ 32,964	\$ 33,237

WORLD FISHERIES TRUST

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

6. Commitments

The Society has signed a rental agreement for office space that expires December 31, 2012 with a monthly payment of \$1,200 to be made on the first of each month. The Society or landlord may terminate the contract before the expiry date with one month written notice. In December 2012, the Society will have the opportunity to renew and modify the terms for 2013.

7. Financial instruments

The Society's financial instruments consist of cash, accounts receivable, HST receivable, accounts payable, wages payable, and due to related parties. The fair value of these financial instruments approximates their carrying values, unless otherwise noted, because of the immediate or short-term maturity of these financial instruments.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The entity is exposed to this risk mainly in respect to its wages payable, and due to related parties.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The entity's main credit risks relate to the accounts receivable. The risk is mitigated as most of accounts receivable is grants receivable from the government.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Society has bank accounts in a foreign currency. Consequently, some assets are exposed to foreign exchange fluctuations.

8. Comparative figures

Figures for 2011 were audited by another firm of Chartered Accountants.

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.