

Annual Report / 2004 highlights

ecotrust 
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building the conservation economy

This year marked the tenth anniversary of Ecotrust Canada and a year in which we launched several bold initiatives. First and foremost, we refined our purpose and strategy to better communicate and focus our work and to create synergies among our partners. The purpose of Ecotrust Canada is to build the conservation economy. We are driven by the triple-bottom-line, where economic opportunity improves rather than degrades social and environmental conditions. Some people call it sustainability – we call it the conservation economy. A conservation economy:

- > provides meaningful work and good livelihoods
- > supports vibrant communities and the recognition of Aboriginal rights and title, and
- > conserves and restores the environment.

While still committed to our place-based work, we initiated six sector strategies in forestry, fisheries, aquaculture, tourism, energy and real estate. Within these sectors, we work to build *capacity* through business consulting, Geographic Information Systems (GIS) and planning; we raise and broker *capital* through lending, fundraising and equity investing; and we create *connections* among entrepreneurs and communities through policy and research, communications and market development. What follows are highlights from our work in 2004.



business lending

This year set a record for Ecotrust Canada's Business Lending program. We provided \$1.2 million in loans to entrepreneurs, cooperatives and non-profit groups. We provide higher-risk, non-commercial loans to businesses that are environmentally and socially responsible or that promote development in rural and Aboriginal communities. We look at a business's triple-bottom line. After six years of lending, we've made \$6 million in loans to entrepreneurs who've supported 550 full-time, part-time and seasonal jobs.



GIS & planning

Ecotrust Canada partnered with First Nations on a mapping conference, bioregional atlas, land use plans and GIS needs assessments. One of our most exciting partnerships was with the Council of the Haida Nation to set up the Haida Mapping Office in Masset. In 2004, Haida Forest Guardians identified and located 650 culturally modified trees. Through a field capacity upgrade, crews used Global Positioning System devices and hand-held computers to collect this data. Haida Mapping then used the data to analyze logging referrals, which allowed the Haida to partially or completely defer logging in sensitive habitats.

“Ecotrust seems to practice
common sense.”

– Peer/expert



forestry

Ecotrust Canada continued to provide leadership in eco-certified forestry in B.C. Forestry program staff provided advice on creating a workable Forest Stewardship Council (FSC) standard in B.C., and Ecotrust Canada Vice President Nina Winham was acclaimed as one of two environmental representatives on the board of FSC Canada. We began developing a group certification and a value-chain analysis of FSC-certified operators in the province. We were proud to work with the Tsleil-Waututh Nation which was awarded a 400-hectare provincial woodlot licence and received FSC certification on 246 hectares of private forestlands in the Indian River Valley. We also financed the largest purchase of FSC-certified wood in B.C. through the Eco-lumber Co-op.



fisheries

Our fisheries program generated headlines across the province. With Ecotrust (US), we published *Catch-22: Conservation, Communities and the Privatization of B.C. Fisheries*, a seminal study on the social, economic and ecological impacts of fisheries licensing policy. For the first time, the decline of commercial fishing in rural and Aboriginal communities was quantified and explained in a comprehensive and comprehensible way. During the year, we also created salmon stock assessment maps with the 'Namgis Nation in Alert Bay and provided policy advice to the Alberni-Clayoquot Regional District Resources Committee on foreign factory ships in B.C.'s Pacific hake fishery.



aquaculture

Shellfish industry development focused on two regions. On the West Coast of Vancouver Island, we provided strategic planning to the Nuuchahnulth Shellfish Development Corporation and researched the feasibility of local fish processing, branding and marketing. On the North Coast, we completed work for the Tsimshian Stewardship Committee on a business plan to launch an entirely new shellfish industry in the region worth \$25 million and with the potential to create 300 jobs.



real estate

Ecotrust Canada joined the Canada Green Building Council in 2004 and partnered with the Tsleil-Waututh Nation to develop a plan to restore the heritage Domtar Salt Building in Southeast False Creek into a Natural Capital Centre – a retail hub and “learning lab” for the conservation economy. Together, we made a presentation to Vancouver City Council about this innovative centre in the heart of the city’s model sustainable neighbourhood.



energy

Ecotrust Canada lenders scoped out exciting alternative energy projects on the coast. We approved a \$250,000 loan to Upnit Power Corporation, whose majority owner is the Hupacasath First Nation, which is constructing a green micro-hydro project on China Creek in the Alberni Valley. Ecotrust Canada also joined the B.C. Biodiesel Association and approved a loan for a biodiesel distribution start-up company.



tourism

Our tourism work took us to every region of the coast, from planning with the Tahltan and Haida in the North Coast to investigating the feasibility of an eco-tourism “Grease Trail” for the ‘Namgis Nation in Alert Bay. We also did business consulting for the Hupacasath Nation, which completed the first phase of a waterfront tourism development in Port Alberni.

performance report

In 2004, Ecotrust Canada conducted its second annual performance assessment using social audit methodology. The assessment gathered anonymous feedback from four groups of stakeholders: staff and consultants; clients and community partners; donors and funders; and peers and experts. We wanted to measure our performance and assess whether our work is adding up to a conservation economy.

The full 2004 Performance Report, including survey results and performance targets, can be downloaded at www.ecotrustcan.org. We plan another survey in 2006 and invite your feedback on this year’s report via our website.

a rewarding year

- > Special Achievement in GIS Award from the Environmental Systems Research Institute (ESRI)
- > Imagine New Spirit of Community Partnership Award from the Canadian Centre for Philanthropy for our work with Vancity Credit Union
- > Named one of Canada’s Top 100 Employers by *Maclean’s* for the third consecutive year

“Ecotrust Canada creates effective partnerships between communities and socially conscious financial institutes. They fill a niche in the conservation sector.”

— Client/community partner

financial statements

auditor's report

To: The Directors of Ecotrust Canada

The accompanying summarized consolidated statement of financial position and summarized consolidated statement of operations are derived from the complete consolidated financial statements of Ecotrust Canada as at December 31, 2004 and for the year then ended. In our auditor's report on the consolidated financial statements dated February 10, 2005, we expressed an unqualified opinion as the statements presented fairly, in all material respects, the financial position of Ecotrust Canada as at December 31, 2004 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

The fair summarization of the complete financial statements is the responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of the Canadian Institute of Chartered Accountants, is to report on the summarized financial statements.

In our opinion, the accompanying financial statements fairly represent, in all material respects, the related complete financial statements in accordance with the criteria described in the Guideline referred to above.

These summarized financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on the entity's financial position and results of operations, reference should be made to the related complete consolidated financial statements.



Port Coquitlam, B.C.
February 10, 2005
Chartered Accountant

report of the director of finance

As per the Summarized Consolidated Statement of Activities and Surplus, we ended the year with an accumulated surplus of \$3,965,882 (an increase of \$107,635 over 2003). Of this balance, \$3,018,289 reflects the capital available for conservation lending, \$479 is restricted funds related to the Enterprise Fund, which holds investments and subsidiary enterprises, and \$240,000 is restricted as an operating reserve. The remaining \$707,114 is funds related to general operations of which \$406,017 is program restricted funds and \$301,097 is general operating funds. We are pleased to report that we continue to keep our fundraising and administrative costs low at 13% of our total expenditures.

Our summarized consolidated financial statements are included in the Annual Report. Anyone wishing to receive a copy of the full audited consolidated financial statements may do so by visiting Ecotrust Canada's website at www.ecotrustcan.org or by contacting us at 604-682-4141.



Yvette Harrison, CGA
Director of Finance
April 30, 2005

summarized consolidated statement of financial position

As at December 31, 2004

See Auditor's Report

	2004			2003
	Unrestricted	Temporarily restricted	Total	
ASSETS				
Current				
Cash	\$ -	\$ 238,437	\$ 238,437	\$ 795,568
Restricted short-term investments	-	240,000	240,000	240,000
Short term investments	78,567	2,542,117	2,620,684	2,582,977
Receivables and prepaid expenses	1,073,791	125,000	1,198,791	740,793
Current portion of loans receivable *	-	548,359	548,359	292,864
	1,152,358	3,693,913	4,846,271	4,652,202
Loans receivable *	-	801,343	801,343	580,163
Long-term investment	-	185,533	185,533	185,533
Fixed assets - net	43,618	591,416	635,034	622,044
	\$ 1,195,976	\$ 5,272,205	\$ 6,468,181	\$ 6,039,942
LIABILITIES AND SURPLUS				
Current				
Accounts payable	\$ 210,960	\$ 4,377	\$ 215,337	\$ 227,857
Temporarily held grants	-	-	-	39,750
Deferred revenue	683,919	606,096	1,290,015	997,569
Deferred restricted program revenue	-	143,283	143,283	223,653
Current portion of loans payable	-	250,000	250,000	-
	894,879	1,003,756	1,898,635	1,488,829
Loans payable	-	603,664	603,664	692,866
	894,879	1,607,420	2,502,299	2,181,695
Commitments				
Contingent liabilities				
Surplus				
Natural Capital fund	-	3,018,289	3,018,289	2,743,286
Enterprise fund	-	479	479	1,890
General fund	301,097	406,017	707,114	873,071
Operating reserve	-	240,000	240,000	240,000
	301,097	3,664,785	3,965,882	3,858,247
	\$ 1,195,976	\$ 5,272,205	\$ 6,468,181	\$ 6,039,942

* Total loans receivable as at December 31, 2004 were \$1,830,025 (2003 \$1,242,879) less allowance for credit losses of \$480,323 (2003 \$369,852) equals net loans receivable of \$1,349,702 (2003 \$873,027).

summarized consolidated statement of activities and surplus

For the year ended December 31, 2004

See Auditor's Report

	2004			2003
	Unrestricted	Temporarily restricted	Total	
Revenues, gains, and other support				
Organization grants	\$ 2,000	\$ 1,000	\$ 3,000	\$ 31,046
Individual contributions	110,959	-	110,959	28,660
Foundation contributions	1,163,735	1,641,458	2,805,193	4,321,241
Other contributions	6,398	134,721	141,119	41,679
Training, cost recovery & other	283,604	-	283,604	431,784
Loan fees and interest	181,355	13,949	195,304	154,265
	1,748,051	1,791,128	3,539,179	5,008,675
Satisfaction of program restrictions	1,436,207	(1,436,207)	-	-
	3,184,258	354,921	3,539,179	5,008,675
Expenditures				
Program				
Central Coast	290,312	-	290,312	483,512
Haida Gwaii / North Coast	456,492	-	456,492	252,010
Alberni-Clayoquot	361,787	-	361,787	548,423
Central Vancouver Island	180,527	-	180,527	146,585
North Vancouver Island	101,131	-	101,131	64,232
Georgia Basin	174,793	-	174,793	139,378
Regional	194,984	-	194,984	112,227
Planning and Information Services	192,997	-	192,997	244,480
Economic Development	250,141	-	250,141	322,491
General Programs	796,858	-	796,858	827,509
Administration	199,142	-	199,142	169,226
Fundraising	242,023	-	242,023	216,668
Natural Capital Fund	-	(22,529)	(22,529)	64,150
Enterprise Fund	-	12,886	12,886	876,784
	3,441,187	(9,643)	3,431,544	4,467,675
Surplus of (expenditures over revenues) revenues over expenditures	(256,929)	364,564	107,635	541,000
Surplus, beginning of year	558,026	3,300,221	3,858,247	3,317,247
Surplus, end of year	\$ 301,097	\$ 3,664,785	\$ 3,965,882	\$ 3,858,247

staff & associates in 2004

Gerald Amos, Associate –
Aboriginal Rights and Title

Chris Ashurst, Community Mapping
Coordinator

Kristina Barr, Operations Assistant

Rosi Bartoli, Executive Assistant to
the President

David Bremner, Manager of Grant
Development

Lori Cribbs, Loan Client
Account Representative

Steven DeRoy, GIS Mapping Analyst
and Aboriginal Mapping Network
Coordinator

George Dockray, Pilot (Whistler Air)

Ian Gill, President

Bill Girard, Investment Manager

Heather Hall, Program and
Operations Assistant

Yvette Harrison, Director of Finance

Doug Hopwood, Registered
Professional Forester

Philip Hogan, Central Coast
Planning Analyst

Greg Kehm, Information Services Manager

Dionne Kilian, Credit Manager

Rick Kohn, Director of Business Strategies

Brenda Kuecks, Director of Community
Programs

Jill Morton, Program & Operations
Assistant

Mike Newall, GIS Mapping Analyst

Patrick Olenick, Director of Development

Paul Ng-Stewart, Credit Manager

Rachel Olson, Aboriginal Mapping
Network Conference Coordinator

Karen Peachey, Director of Community
Programs

Ian Scott, Acting Director, Information
Services and Planning

Marie-Claire Seebohm, Operations
Manager

Eric Enno Tamm, Communications
Manager

Cheryl Tan, Financial Manager

Pieter van Gils, Director of Economic
Development

Niki Westman, Program & Financial
Assistant

Carolyn Whittaker, Director of
Information and Planning Services

Darren Willis, Alberni-Clayoquot
Economic Development Manager

Nina Winham, Vice President

Donovan Woollard, Coordinator, Forestry
and North Island Programs

board of directors

A-in-chut (Shawn Atleo), Ahousaht, BC

Spencer B. Beebe (Vice Chair),
Portland, OR

Thomas R. Berger, Vancouver, BC
(until 2004)

Leah D. George-Wilson, Vancouver, BC

Ian Gill, Vancouver, BC

Ronald Grzywinski, Chicago, IL

James Hume, Calgary, AB

Jacqueline Koerner (Chair), Vancouver, BC

Maureen Lunn, Vancouver, BC

David Martin, Vancouver, BC

Scott McIntyre, Vancouver, BC

Dennis Perry, Vancouver, BC (until 2004)

Ric Young, Toronto, ON

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