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Form **990-EZ****Short Form**
Return of Organization Exempt From Income TaxUnder section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except private foundations)

OMB No 1545-1150

2013Department of the Treasury
Internal Revenue Service

▶ Do not enter Social Security numbers on this form as it may be made public.

▶ Information about Form 990-EZ and its instructions is at www.irs.gov/form990.**Open to Public Inspection****A For the 2013 calendar year, or tax year beginning**, 2013, and ending

- B** Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C

The Kensington Conservancy
736 N. Western Avenue, PMB 346
Lake Forest, IL 60045

D Employer identification number

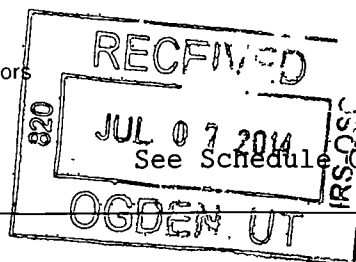
36-4403946

E Telephone number

(705)-782-2200

F Group Exemption Number**G Accounting Method** ☒ Cash ☐ Accrual Other (specify) ▶**I Website:** ▶ www.kensingtonconservancy.org**J Tax-exempt status** (check only one) — ☒ 501(c)(3) ☐ 501(c) () (insert no) ☐ 4947(a)(1) or ☐ 527**H Check** ☐ if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)**K Form of organization** ☐ Corporation ☐ Trust ☐ Association ☐ Other**L Add lines 5b, 6c, and 7b, to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ.** ▶ \$ 148,794.**Part II Revenue, Expenses, and Changes in Net Assets or Fund Balances** (see the instructions for Part I)Check if the organization used Schedule O to respond to any question in this Part I ☒

1 Contributions, gifts, grants, and similar amounts received	1	128,105.
2 Program service revenue including government fees and contracts	2	
3 Membership dues and assessments	3	
4 Investment income	4	11.
5a Gross amount from sale of assets other than inventory	5a	20,678.
b Less cost or other basis and sales expenses	5b	21,184.
c Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)	5c	-506.
6 Gaming and fundraising events		
a Gross income from gaming (attach Schedule G if greater than \$15,000)	6a	
b Gross income from fundraising events (not including \$ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)	6b	
c Less direct expenses from gaming and fundraising events	6c	
d Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	6d	
7a Gross sales of inventory, less returns and allowances	7a	
b Less cost of goods sold	7b	
c Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	7c	
8 Other revenue (describe in Schedule O)	8	
9 Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8	9	127,610.
10 Grants and similar amounts paid (list in Schedule O)	10	153,000.
11 Benefits paid to or for members	11	
12 Salaries, other compensation, and employee benefits	12	
13 Professional fees and other payments to independent contractors	13	382.
14 Occupancy, rent, utilities, and maintenance	14	
15 Printing, publications, postage, and shipping	15	
16 Other expenses (describe in Schedule O)	16	426.
17 Total expenses. Add lines 10 through 16	17	153,808.
18 Excess or (deficit) for the year (Subtract line 17 from line 9)	18	-26,198.
19 Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	95,811.
20 Other changes in net assets or fund balances (explain in Schedule O)	20	
21 Net assets or fund balances at end of year. Combine lines 18 through 20	21	69,613.

**BAA For Paperwork Reduction Act Notice, see the separate instructions.**

Form 990-EZ (2013)

go-9

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17

Part V Other Information (Note the Schedule A and personal benefit contract statement requirements in See Schedule O the instructions for Part V) Check if the organization used Schedule O to respond to any question in this Part V ☒

	Yes	No
33 Did the organization engage in any significant activity not previously reported to the IRS? If 'Yes,' provide a detailed description of each activity in Schedule O		X
34 Were any significant changes made to the organizing or governing documents? If 'Yes,' attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O (see instructions)		X
35 a Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?		X
b If 'Yes,' to line 35a, has the organization filed a Form 990-T for the year? If 'No,' provide an explanation in Schedule O		
c Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If 'Yes,' complete Schedule C, Part III		X
36 Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If 'Yes,' complete applicable parts of Schedule N		X
37 a Enter amount of political expenditures, direct or indirect, as described in the instructions 37 a 0.		
b Did the organization file Form 1120-POL for this year?		X
38 a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?		X
b If 'Yes,' complete Schedule L, Part II and enter the total amount involved 38 b N/A		
39 Section 501(c)(7) organizations. Enter		
a Initiation fees and capital contributions included on line 9 39 a N/A		
b Gross receipts, included on line 9, for public use of club facilities 39 b N/A		
40 a Section 501(c)(3) organizations Enter amount of tax imposed on the organization during the year under section 4911 0. , section 4912 0. , section 4955 0.		
b Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If 'Yes,' complete Schedule L, Part I		X
c Section 501(c)(3) and 501(c)(4) organizations Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 0.		
d Section 501(c)(3) and 501(c)(4) organizations Enter amount of tax on line 40c reimbursed by the organization 0.		
e All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If 'Yes,' complete Form 8886-T		X
41 List the states with which a copy of this return is filed None		

42 a The organization's books are in care of **Priddle-Luck Professional Corporation** Telephone no **(705)-575-1096**
 Located at **677 MacDonald Ave., Suite 200 CA** ZIP + 4 **P6B 1J4**

b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?
 If 'Yes,' enter the name of the foreign country

	Yes	No
42 b		X
42 c		X

See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts

c At any time during the calendar year, did the organization maintain an office outside of the U.S.?
 If 'Yes,' enter the name of the foreign country

43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year 43 ☐ N/A		
44 a Did the organization maintain any donor advised funds during the year? If 'Yes,' Form 990 must be completed instead of Form 990-EZ		X
b Did the organization operate one or more hospital facilities during the year? If 'Yes,' Form 990 must be completed instead of Form 990-EZ		X
c Did the organization receive any payments for indoor tanning services during the year?		X
d If 'Yes' to line 44c, has the organization filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O		
45 a Did the organization have a controlled entity of the organization within the meaning of section 512(b)(13)?		X
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' Form 990 and Schedule R may need to be completed instead of Form 990-EZ (see instructions)		X

- 46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I

	Yes	No
46		X

Part VI Section 501(c)(3) organizations only

All section 501(c)(3) organizations must answer questions 47-49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI ☐

- 47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If 'Yes,' complete Schedule C, Part II
- 48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E
- 49a Did the organization make any transfers to an exempt non-charitable related organization?
- b If 'Yes,' was the related organization a section 527 organization?
- 50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None'

	Yes	No
47		X
48		X
49a		X
49b		

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
None				

f Total number of other employees paid over \$100,000

- 51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None'

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation
None		

d Total number of other independent contractors each receiving over \$100,000

- 52 Did the organization complete Schedule A? **Note.** All section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A

☒ Yes ☐ No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date	
	<i>Peter Welles</i>	6/20/14	
Paid Preparer Use Only	Type or print name and title		President
	Print/Type preparer's name	Preparer's signature	Date
	Suzanne Priddle-Luck	Suzanne Priddle-Luck	June 14/14
	Firm's name	Firm's address	Firm's EIN
	Priddle-Luck Professional Corporation	200-677 MacDonald Avenue	98-1141656
	Sault Ste. Marie, ON P6B 1J4	Phone no	705-575-1096

May the IRS discuss this return with the preparer shown above? See instructions

☒ Yes ☐ No

SCHEDULE A
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013**Open to Public Inspection**

Name of the organization

The Kensington Conservancy

Employer identification number

36-4403946

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☐ An organization that normally receives (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions – subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I b ☐ Type II c ☐ Type III – Functionally integrated d ☐ Type III – Non-functionally integrated
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**.
- f ☐ If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box.
- g ☐ Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11 g (i)		
11 g (ii)		
11 g (iii)		

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in column (i) listed in your governing document?		(v) Did you notify the organization in column (i) of your support?		(vi) Is the organization in column (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2013

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any 'unusual grants'.)	169,699.	136,144.	219,463.	122,983.	128,105.	776,394.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0.
3 The value of services or facilities furnished by a governmental unit to the organization without charge						0.
4 Total. Add lines 1 through 3	169,699.	136,144.	219,463.	122,983.	128,105.	776,394.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						—
6 Public support. Subtract line 5 from line 4						776,394.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4	169,699.	136,144.	219,463.	122,983.	128,105.	776,394.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	212.	16.	13.	612.	11.	864.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						0.
11 Total support. Add lines 7 through 10						777,258.
12 Gross receipts from related activities, etc (see instructions)					12	0.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ ☐						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	99.89 %
15 Public support percentage from 2012 Schedule A, Part II, line 14	15	0.00 %
16a 33-1/3% support test — 2013. If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ ☒		
b 33-1/3% support test — 2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ ☐		
17a 10%-facts-and-circumstances test — 2013. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization ▶ ☐		
b 10%-facts-and-circumstances test — 2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization ▶ ☐		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐		

BAA

Schedule A (Form 990 or 990-EZ) 2013

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions and membership fees received (Do not include any 'unusual grants'.)						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total Support. (Add lns 9, 10c, 11 and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18	%

19a 33-1/3% support tests – 2013. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐**b 33-1/3% support tests – 2012.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions. ☐

Part IV **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information.
(See instructions).

[illegible]

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

► Attach to Form 990 or 990-EZ.

► Information about Schedule O (Form 990 or 990-EZ) and its instructions is
at www.irs.gov/form990.

OMB No 1545-0047

2013

**Open to Public
Inspection**

Employer identification number

36-4403946

The Kensington Conservancy

Form 990-EZ, Part III - Organization's Primary Exempt Purpose

The mission of the Kensington conservancy is the establishment, development,
maintenance and management of the nature reserves and programs in the St. Joseph
Channel for the Conservation and preservation of the natural ecosystem.

Form 990-EZ, Part V - Regarding Transfers Associated with Personal Benefit Contracts

(a) Did the organization, during the year, receive any funds, directly or
indirectly, to pay premiums on a personal benefit contract? No

(b) Did the organization, during the year, pay premiums, directly or
indirectly, on a personal benefit contract? No

The Kensington Conservancy

36-4403946

Form 990-EZ, Part I, Line 5c
Net Gain (Loss) from Noninventory Sales
Publicly Traded Securities

Gross Sales Price: 20,678.
 Cost or Other Basis: 21,184.

Total Gain (Loss) Publicly Traded Securities \$ -506.

Total Net Gain (Loss) From Noninventory Sales \$ -506.

Form 990-EZ, Part I, Line 10
Grants and Similar Amounts Paid In Excess of \$5,000
Payments to Affiliates

Name: The Kensington Conservancy Can
 Address: PO Box 127
 Desbarats, ON P0R 1E0 Canada
 Purpose of payment: Donation
 Amount: \$ 153,000.

Form 990-EZ, Part I, Line 16
Other Expenses

Interest	\$	130.
Office Expenses		296.
Total	\$	<u>426.</u>

Form 990-EZ, Part II, Line 24
Other Assets

	<u>Beginning</u>	<u>Ending</u>
Accounts Receivable	\$ 0.	\$ 502.
Total	<u>\$ 0.</u>	<u>\$ 502.</u>

Form 990-EZ, Part II, Line 26
Total Liabilities

	<u>Beginning</u>	<u>Ending</u>
Accounts Payable and Accrued Expenses	\$ 0.	\$ 159.
Total	<u>\$ 0.</u>	<u>\$ 159.</u>

The Kensington Conservancy

36-4403946

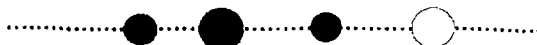
Form 990-EZ, Part IV

List of Officers, Directors, Trustees, and Key Employees

Name and Title	Average Hours Per Week Devoted	Compensation	Health Benefits & Contrib- ution to EBP & DC	Estimated Amount Of Other Compen.
Peter Welles President	0	\$ 0.	\$ 0.	\$ 0.
Hugh MacDonald Vice President	0	0.	0.	0.
Alice Hill Vice President	0	0.	0.	0.
Richard Sipe Treasurer	0	0.	0.	0.
John (Terry) Haight Secretary	0	0.	0.	0.
Mason Phelps Director	0	0.	0.	0.
Richard Warren Director	0	0.	0.	0.
Sara Vincenzo Director	0	0.	0.	0.
Bebe Bullock Director	0	0.	0.	0.
David Hofmann Director	0	0.	0.	0.
Jesse Dann Director	0	0.	0.	0.
Libby Ellis Director	0	0.	0.	0.
Peggy Foster Miller Director	0	0.	0.	0.
Valerie Walker Director	0	0.	0.	0.
Merrill Warren Director	0	0.	0.	0.
John Hollingsworth Director	0	0.	0.	0.
Total		\$ 0.	\$ 0.	\$ 0.

Priddle-Luck Professional Corporation

Chartered Professional Accountant



REVIEW ENGAGEMENT REPORT

To the Members of The Kensington Conservancy U.S.

I have reviewed the statement of financial position of The Kensington Conservancy U.S. as at December 31, 2013 and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to me by the organization.

A review does not constitute an audit and, consequently, I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations

Priddle-Luck
Professional Corporation

Sault Ste. Marie, Ontario
June 2, 2014

Authorized to practise public accounting by
The Institute of Chartered Accountants of Ontario

THE KENSINGTON CONSERVANCY U.S.

Index to Financial Statements

Year Ended December 31, 2013

(Unaudited)

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THE KENSINGTON CONSERVANCY U.S.

Statement of Financial Position

December 31, 2013

(Unaudited)

	2013	2012
Assets		
Current		
Cash	\$ 69,270	\$ 57,320
Short term investments	-	38,491
Accounts receivable	502	-
	<u>\$ 69,772</u>	<u>\$ 95,811</u>
Liabilities and Net Assets		
Current		
Accounts payable	\$ 159	\$ -
Net Assets		
General fund	<u>69,613</u>	<u>95,811</u>
Liabilities and Net Assets	<u>\$ 69,772</u>	<u>\$ 95,811</u>

THE KENSINGTON CONSERVANCY U.S.
Statement of Revenues and Expenditures
Year Ended December 31, 2013
(Unaudited)

	2013	2012
Revenue		
Donations	\$ 124,726	\$ 120,393
Membership	3,379	3,290
Interest	11	12
	<u>128,116</u>	<u>123,695</u>
Expenses		
Bank charges and interest	130	103
Office	296	-
Professional fees	382	2,302
The Kensington Conservancy - Cdn	153,000	62,668
	<u>153,808</u>	<u>65,073</u>
Excess (deficiency) of revenue over expenses from operations	(25,692)	58,622
Loss of disposal of investments	(506)	-
Excess (deficiency) of revenue over expenses	<u>\$ (26,198)</u>	<u>\$ 58,622</u>

THE KENSINGTON CONSERVANCY U.S.

Statement of Changes in Net Assets

Year Ended December 31, 2013

(Unaudited)

	2013	2012
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Net assets - beginning of year	\$ 95,811	\$ 37,189
Deficiency of revenue over expenses	(26,198)	58,622
Net assets - end of year	\$ 69,613	\$ 95,811

See note to financial statements

THE KENSINGTON CONSERVANCY U.S.

Statement of Cash Flows

Year Ended December 31, 2013

(Unaudited)

	2013	2012
Operating activities		
Excess (deficiency) of revenue over expenses	\$ (26,198)	\$ 58,622
Item not affecting cash:		
Loss on disposal of investments	506	-
	<u>(25,692)</u>	<u>58,622</u>
Changes in non-cash working capital		
Accounts receivable	(502)	-
Accounts payable	160	-
	<u>(342)</u>	<u>-</u>
Cash flow from (used by) operating activities	<u>(26,034)</u>	<u>58,622</u>
Investing activity		
Proceeds from sale of marketable securities	37,984	38
Financing activity		
Advances to related parties	-	(39,332)
Increase in cash flow	11,950	19,328
Cash - beginning of year	<u>57,320</u>	<u>37,992</u>
Cash - end of year	\$ 69,270	\$ 57,320

See note to financial statements

THE KENSINGTON CONSERVANCY U.S.

Notes to Financial Statements

Year Ended December 31, 2013

(Unaudited)

4. Financial instruments

Risks and concentrations

The organization is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides a measure of the organization's risk exposure at the balance sheet date, i.e. December 31, 2013

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its long-term debt and accounts payable

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 organization's main credit risks relate to its accounts receivable. The risk is low as all receivables are from confirmed revenue sources.

Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The organization is mainly exposed to currency risk.

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 organization is exposed to this risk as contributions will be made in US funds to their US sister organization and then transferred to the organization at the prevailing currency rate.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk on its fixed and floating interest rate financial instruments which as December 31, 2013 were none. Fixed-interest instruments subject the organization to a fair value risk while the floating rate instruments subject it to a cash flow risk.

THE KENSINGTON CONSERVANCY U.S.

Notes to Financial Statements

Year Ended December 31, 2013

(Unaudited)

1. Summary of significant accounting policies

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Use of estimates

The preparation of financial statement in accordance with Canadian standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses

Revenue recognition

The organization follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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. Endowment contributions are recognized as direct increases in net assets.

Contributed services

Volunteers contribute several hours per year to assist the Association in carrying out its service delivery activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Currency

All amounts on the financial statements are in US dollars.

(continues)

THE KENSINGTON CONSERVANCY U.S.

Notes to Financial Statements

Year Ended December 31, 2013

(Unaudited)

1. Summary of significant accounting policies (continued)

Financial instruments

Measurement of financial instruments

The organization initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions

The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, term deposits, accounts receivable, preferred shares of a private company and notes receivable

Financial liabilities measured at amortized cost include the bank overdraft, the bank loan, accounts payable, amounts due to directors and officers and long-term debt

The organization's financial assets measured at fair value include quoted shares

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction costs

The organization recognizes its transaction cost in net income in the period incurred. However, the carrying amount of the financial instruments that will not be subsequently measured at fair value is reflected in the transaction costs that are directly attributable to their origination, issuance or assumption

2. Purpose of the organization

The Kensington Conservancy is a land trust that works to protect lands and waters by purchasing property, accepting donations of land, and through voluntary conservation agreements. These protection methods are all aimed at protecting our precious landscape in perpetuity.

3. Related party transactions

The organization is under common control with its sister organization, The Kensington Conservancy Canada with the same management and Board of Directors. Amounts due from the sister organization are without interest or fixed repayment conditions. All transfers between the two organizations are done with approval of the Board of Directors.
