

**NOVA SCOTIA CROWN SHARE
LAND LEGACY TRUST**

Financial Statements

Year Ended January 31, 2009



A Member Firm of The AC Group of Independent Accounting Firms Limited

NOVA SCOTIA CROWN SHARE LAND LEGACY TRUST

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Year Ended January 31, 2009

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Hunter Belgrave Adamson
CHARTERED ACCOUNTANTS

A Member Firm of The AC Group of Independent Accounting Firms Limited

AUDITORS' REPORT

To the Members of Nova Scotia Crown Share Land Legacy Trust

We have audited the statement of financial position of Nova Scotia Crown Share Land Legacy Trust as at January 31, 2009 and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Trust's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at January 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Dartmouth, Nova Scotia
June 23, 2009

Hunter Belgrave Adamson
AC HUNTER BELGRAVE ADAMSON
CHARTERED ACCOUNTANTS

NOVA SCOTIA CROWN SHARE LAND LEGACY TRUST

Statement of Revenues and Expenditures

Year Ended January 31, 2009

REVENUE

Crown share payments	\$ 8,652
Interest income	207,139

215,791

EXPENSES

Honorariums	5,850
Professional fees	2,778
Interest and bank charges	24

8,652

EXCESS OF REVENUE OVER EXPENSES

\$ 207,139

NOVA SCOTIA CROWN SHARE LAND LEGACY TRUST

Statement of Changes in Net Assets

Year Ended January 31, 2009

	General Fund	Restricted Fund	2009
NET ASSETS - BEGINNING OF YEAR	\$ -	\$ -	\$ -
Excess of revenue over expenses	207,139	-	207,139
NET ASSETS - END OF YEAR	\$ 207,139	\$ -	\$ 207,139

NOVA SCOTIA CROWN SHARE LAND LEGACY TRUST

Statement of Financial Position

January 31, 2009

ASSETS

CURRENT

Cash	\$	4,131
Promissory notes receivable (<i>Note 4</i>)		23,468,247
Accounts receivable		168,891

\$ 23,641,269

LIABILITIES AND NET ASSETS

CURRENT

Accounts payable and accrued liabilities	\$	2,777
Deferred income		23,431,353

23,434,130

NET ASSETS

General fund		207,139
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\$ 23,641,269

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements
AC Hunter Belgrave Adamson
Chartered Accountants

NOVA SCOTIA CROWN SHARE LAND LEGACY TRUST

Statement of Cash Flows

Year Ended January 31, 2009

OPERATING ACTIVITIES

Excess of revenue over expenses \$ 207,139

Changes in non-cash working capital:

Accounts receivable (168,891)

Accounts payable and accrued liabilities 2,777

Deferred income 23,431,353

Promissory notes (23,468,247)

(203,008)

INCREASE IN CASH FLOW

4,131

Cash - beginning of year

-

CASH - END OF YEAR

\$ 4,131

CASH FLOWS SUPPLEMENTARY INFORMATION

Interest paid \$ 24

Income taxes paid \$ -

NOVA SCOTIA CROWN SHARE LAND LEGACY TRUST

Notes to Financial Statements

Year Ended January 31, 2009

1. DESCRIPTION OF BUSINESS

The Nova Scotia Crown Share Land Legacy Trust is a not-for-profit entity established in accordance with Section 19 of the Environment Act. The Nova Scotia Crown Share Land Legacy Trust was established to hold, invest, and distribute by March 31, 2023, the Trust property to approved beneficiaries. Approved beneficiaries are defined as those charitable, non-governmental, nature conservation land trusts that are designated as eligible bodies pursuant to the Conservation Easement Act, SNS, 2001, c.28.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

The Trust's financial instruments consist of cash, accounts receivable, promissory notes, and accounts payable. Unless otherwise noted, it is management's opinion that the Trust is not exposed to significant interest, currency or credit risks arising from these financial instruments. The Trust does not enter into hedging activities and does not engage in derivative transactions.

Revenue Recognition

The Trust does not use fund accounting as a method of financial statement presentation due to the single nature and purpose of the entity. In accordance with HB section 4410, the Trust recognizes contributions using the deferral method of accounting. Restricted and unrestricted contributions are recognized as revenue in the period in which the related expenses are incurred.

Investment income consists of interest income. There is no restricted investment income and unrestricted investment income is recognized as revenue when earned.

Accounting estimates

Accounting estimates are included in financial statements to approximate the effect of past business transactions or events, or to approximate the present status of an asset or liability. Examples include the estimated value of promissory notes receivable. It is possible that changes in future conditions could require changes in the recognized amounts for accounting estimates. Should an adjustment become necessary, it would be reported in earnings in the period in which it became known.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Consistent with similar not-for-profit organizations, Nova Scotia Crown Share Land Legacy Trust's risk management policies are part of the overall management of the entity's operations. Management's direct involvement in day-to-day operations identifies risks and variations from expectations leading to changes in risk management activities, requirements and actions. Management has not entered into hedging transactions to manage risk. As a part of the overall management of the entity's operations, management considers avoidance of undue concentrations of risk, and employs appropriate investment and credit management policies to manage the Trust's exposure.

4. PROMISSORY NOTES RECEIVABLE

Province of Nova Scotia promissory note	\$ 23,468,247
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In accordance with Section 3855 of the CICA Handbook, the above promissory note is classified as a held for trading financial instrument bearing interest rates ranging from 0.93% to 3.29% and therefore is required to be presented at fair value. Due to its short term nature, the carrying amount of the promissory note approximate fair value. There are no fixed terms of repayment as funds are withdrawn by the Trust on an as needed basis.

NOVA SCOTIA CROWN SHARE LAND LEGACY TRUST

Notes to Financial Statements

Year Ended January 31, 2009

5. DEFERRED REVENUE

In compliance with the deferral method of accounting for contributions as disclosed in note 2, the Trust has recorded \$23,431,353 in deferred revenues as detailed below:

The Trust received a total of \$23,440,005 from the Province of Nova Scotia in the form of Crown Share Payments during the January 31, 2009 fiscal year. As stated in the trust indenture, 3% of the funds received can be allocated as unrestricted funds over the life of the trust. In the current year, the Trustees have recognized \$8,652 as revenue, with the balance being carried as deferred revenue.

6. SUBSEQUENT EVENTS

The following events occurred subsequent to the fiscal year end:

The Trust allocated a total of \$548,700 to qualified beneficiaries subsequent to year end as summarized below:

\$220,200 to Nature Conservancy of Canada in March 2009

\$55,500 to the Nova Scotia Nature Trust in March 2009

\$273,000 to Nature Conservancy of Canada in March 2009