

# COLUMBIA LAND TRUST

Audited Consolidated Financial Statements

For the Year Ended December 31, 2015



MCDONALD JACOBS

*Dear Reader:*

*For many, an audit brings to mind the image of an IRS agent descending on your home or business to catch criminals and tax cheats, striking fear in the heart of the auditee. In our broad cultural milieu, auditors carry about the same warm fuzzy glow as dentists performing root canals.*

*The truth is, auditors come armed with questions, and questions are the source of all improvement. At Columbia Land Trust, we are constantly seeking improvement. Our auditors help us wrestle out complex questions like how an interest-free loan from a member, to help us buy a property, should appear on our books (answer: as a liability, appearing within the Notes payable line on our balance sheet). Or, do conservation easements carry an asset value, since they are essentially development rights, which surely have a value (answer: they do not have an asset value, as what we really own is not the development right but the obligation to enforce the prohibition on development. You won't see easements as an asset on our books unless they are access easements, or the like, which do come with a definable asset value).*

*Our love of questions extends to the entire organization, not just our financials. Our accreditation requires us to examine every aspect of our operations. Surely, we are a better organization for asking tough questions about everything that we do.*

*Finally, we ask questions about ecology and community. After all, the ultimate audit ought to include questions like: are we truly having a positive impact on the nature of the northwest; and is our work fostering a culture of stewardship throughout the region? These are the questions we ask ourselves every time we update our strategic plan or our conservation plan, and every time we visit with landowners and community members. The answers to these questions have caused us to fundamentally alter how we do our work.*

*We welcome auditors as an opportunity to examine the details of everything that we do. How can we do better?*

*Any questions?*

*My Best,  
Glenn Lamb  
Executive Director  
Columbia Land Trust  
360 213-1205*



Shareholders

Mark A. Clift, CPA

Jill Oswald

Karin S. Wandtke, CPA

Sang Ahn, CPA

Gerard DeBlois Jr., CPA

Mary Strasdin, CPA

Anthony Almer, CPA

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Columbia Land Trust and  
TR Land Conservancy

We have audited the accompanying consolidated financial statements of Columbia Land Trust (the Trust) (a nonprofit corporation), which comprise the consolidated statement of financial position as of December 31, 2015, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Principals

Jake Jacobs, CPA

Susan J. Marks, CPA

Tyee Carr, CPA

Victor Epstein, CPA

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the consolidated 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 Trust's internal control. Accordingly, we

express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Columbia Land Trust as of December 31, 2015, and changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Report on Summarized Comparative Information*

We have previously audited the Columbia Land Trust's 2014 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated May 7, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

*McDonald Jacobz, P.C.*

Portland, Oregon  
March 24, 2016

COLUMBIA LAND TRUST  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
December 31, 2015  
(With comparative totals for 2014)

	2015	2014
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,124,437	\$ 626,631
Grants and contributions receivable	178,446	356,502
Contracts receivable	725,456	1,275,639
Other receivables	21,691	37,104
Cash held for property conservation	579,206	579,206
Prepaid expenses and inventory	34,957	44,200
Investments	6,061,570	5,701,225
Property and equipment, net	49,375	41,713
Conservation property	49,100,978	47,215,024
 TOTAL ASSETS	 \$ 57,876,116	 \$ 55,877,244
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 395,434	\$ 325,118
Grant payable	10,000	10,000
Deferred revenue	-	7,558
Notes payable	30,000	343,500
Conservation property held on behalf of local governments	6,363,594	6,363,594
Total liabilities	6,799,028	7,049,770
Net assets:		
Unrestricted:		
Undesignated	326,900	170,593
Board designated	1,384,636	1,642,074
Net investment in conservation property and other capital assets	42,786,759	40,579,643
Total unrestricted	44,498,295	42,392,310
Temporarily restricted	2,728,579	3,105,363
Permanently restricted	3,850,214	3,329,801
Total net assets	51,077,088	48,827,474
 TOTAL LIABILITIES AND NET ASSETS	 \$ 57,876,116	 \$ 55,877,244

See notes to financial statements.

COLUMBIA LAND TRUST  
CONSOLIDATED STATEMENT OF ACTIVITIES  
For the year ended December 31, 2015  
(With comparative totals for 2014)

	2015			Total	2014 Total
	Unrestricted	Temporarily Restricted	Permanently Restricted		
<b>Support and revenue:</b>					
Contributions and bequests	\$ 751,824	\$ 491,242	\$ 520,413	\$ 1,763,479	\$ 1,412,648
Private and government grants	413,079	1,021,661	-	1,434,740	3,287,806
Donated materials and services	61,616	-	-	61,616	253,230
Special events, net of direct expenses of \$106,162 in 2015 and \$111,352 in 2014	135,068	-	-	135,068	129,939
Interest income	1,156	-	-	1,156	1,523
Investment income (loss), net of fees	(42,921)	(139,889)	-	(182,810)	178,207
Other income	744,965	-	-	744,965	439,961
Net assets released from restrictions:					
Satisfaction of purpose restrictions	1,662,103	(1,662,103)	-	-	-
Total support and revenue	<u>3,726,890</u>	<u>(289,089)</u>	<u>520,413</u>	<u>3,958,214</u>	<u>5,703,314</u>
<b>Expenses:</b>					
Program services:					
Land conservation	747,896	-	-	747,896	2,219,361
Public outreach	351,406	-	-	351,406	427,349
Land stewardship	1,468,737	-	-	1,468,737	1,456,048
Total program services	2,568,039	-	-	2,568,039	4,102,758
Management and general	551,059	-	-	551,059	491,665
Fundraising	456,307	-	-	456,307	489,566
Total expenses	<u>3,575,405</u>	<u>-</u>	<u>-</u>	<u>3,575,405</u>	<u>5,083,989</u>
Change in net assets before non-operating activities	151,485	(289,089)	520,413	382,809	619,325
<b>Non-operating activities:</b>					
Grants received for acquisition of conservation property	-	1,653,029	-	1,653,029	-
Donated land	213,776	-	-	213,776	346,518
Net assets released from restrictions upon the acquisition of conservation property	1,740,724	(1,740,724)	-	-	-
Change in net assets	2,105,985	(376,784)	520,413	2,249,614	965,843
<b>Net assets:</b>					
Beginning of year	<u>42,392,310</u>	<u>3,105,363</u>	<u>3,329,801</u>	<u>48,827,474</u>	<u>47,861,631</u>
End of year	<u>\$ 44,498,295</u>	<u>\$ 2,728,579</u>	<u>\$ 3,850,214</u>	<u>\$ 51,077,088</u>	<u>\$ 48,827,474</u>

See notes to financial statements.

COLUMBIA LAND TRUST  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
For the year ended December 31, 2015  
(With comparative totals for 2014)

	2015									
	Program Services					Supporting Services				
	Land Conservation	Public Outreach	Land Stewardship	Total Programs	Management and General	Indirect Costs	Fund-raising	Total Supporting	Total	2014 Total
Salaries and related costs	\$ 422,174	\$ 164,740	\$ 470,545	\$ 1,057,459	\$ 395,126	\$ 490	\$ 336,013	\$ 731,629	\$ 1,789,088	\$ 1,639,964
Professional services	142,358	117,018	66,908	326,284	36,069	43,774	10,794	90,637	416,921	708,262
Property acquisition costs	84,907	-	-	84,907	-	-	-	-	84,907	1,408,358
Property maintenance	-	-	609,427	609,427	-	-	-	-	609,427	636,688
Occupancy	-	-	28,169	28,169	-	136,313	-	136,313	164,482	152,275
Postage and shipping	147	3,120	67	3,334	1,312	1,790	21,852	24,954	28,288	27,662
Printing and publications	254	17,217	118	17,589	1,336	7,497	7,311	16,144	33,733	35,442
License and fees	1,918	339	90,777	93,034	18,585	9,224	981	28,790	121,824	115,297
Supplies	2,041	14,976	51,004	68,021	1,841	3,575	3,252	8,668	76,689	155,004
Equipment and repair	2,514	1,984	43,571	48,069	10,400	22,057	18,255	50,712	98,781	51,727
Meetings and training	2,761	1,072	2,800	6,633	3,662	6,497	1,288	11,447	18,080	40,365
Travel	12,509	4,912	23,398	40,819	4,866	240	3,362	8,468	49,287	57,370
Telephone	270	340	330	940	960	18,447	-	19,407	20,347	21,104
Insurance	-	-	-	-	-	34,689	-	34,689	34,689	29,650
Interest expense	-	-	-	-	-	2,640	-	2,640	2,640	4,015
Other	7,175	928	926	9,029	12,091	5,102	-	17,193	26,222	806
Total expenses before allocation of indirect costs	679,028	326,646	1,388,040	2,393,714	486,248	292,335	403,108	1,181,691	3,575,405	5,083,989
Allocation of indirect costs	68,868	24,760	80,697	174,325	64,811	(292,335)	53,199	(174,325)	-	-
Total expenses	\$ 747,896	\$ 351,406	\$ 1,468,737	\$ 2,568,039	\$ 551,059	\$ -	\$ 456,307	\$ 1,007,366	\$ 3,575,405	\$ 5,083,989

See notes to financial statements.

COLUMBIA LAND TRUST  
CONSOLIDATED STATEMENT OF CASH FLOWS  
For the year ended December 31, 2015  
(With comparative totals for 2014)

	<u>2015</u>	<u>2014</u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 2,249,614	\$ 965,843
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	17,434	11,752
Realized and unrealized (gains) losses on investments	318,549	(20,275)
Note payable converted to donation	-	(10,000)
Donations of conservation properties	(213,776)	(346,518)
Proceeds restricted to the acquisition of conservation property	(1,653,029)	-
Proceeds from contributions restricted to endowment	(520,413)	(186,878)
(Increase) decrease in:		
Grants and contributions receivable	178,056	252,898
Contracts receivable	550,183	(108,231)
Other current assets	24,656	(25,850)
Increase (decrease) in:		
Accounts payable and accrued expenses	70,316	(84,594)
Other liabilities	(7,558)	7,280
Net cash provided by operating activities	<u>1,014,032</u>	<u>455,427</u>
<b>Cash flows from investing activities:</b>		
Purchase of conservation land	(1,672,178)	(531,867)
Purchase of property and equipment	(25,096)	(22,218)
Proceeds from sale of investments	2,804,989	1,769,122
Purchase of investments	<u>(3,483,883)</u>	<u>(2,094,701)</u>
Net cash used in investing activities	<u>(2,376,168)</u>	<u>(879,664)</u>
<b>Cash flows from financing activities:</b>		
Proceeds restricted to the acquisition of conservation property	1,653,029	-
Proceeds from contributions restricted to endowment	520,413	186,878
Payments on notes payable	(313,500)	-
Proceeds from notes payable	<u>-</u>	<u>313,500</u>
Net cash provided by financing activities	<u>1,859,942</u>	<u>500,378</u>
Net increase in cash and cash equivalents	497,806	76,141
Cash and cash equivalents - beginning of year	<u>1,205,837</u>	<u>1,129,696</u>
Cash and cash equivalents - end of year	<u>\$ 1,703,643</u>	<u>\$ 1,205,837</u>
Cash and cash equivalents	\$ 1,124,437	\$ 626,631
Cash held for property conservation	<u>579,206</u>	<u>579,206</u>
	<u>\$ 1,703,643</u>	<u>\$ 1,205,837</u>

See notes to financial statements.



COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2015

1. THE ORGANIZATION

Description of Organization

Columbia Land Trust (the Trust) is a nonprofit organization founded in 1990 with the mission to conserve and care for vital lands, waters, and wildlife of the Columbia River region. Based in Vancouver, Washington, with offices in Astoria, Hood River and Portland, Oregon, the Trust provides opportunities for community members to conserve their land through conservation easements and donation of fee simple ownership. The Trust also raises money for stewardship and to purchase priority lands for conservation. Since its formation, the Trust has conserved more than 28,533 acres at 189 different sites throughout the Columbia River Region. The Trust's support is derived primarily from private and government grants and contributions.

TR Land Conservancy is a nonprofit organization with a purpose of conservation and managing real property owned by the Conservancy or over which the Conservancy holds a conservation easement. TR Land Conservancy became a member organization on July 1, 2010 with Columbia Land Trust as the sole member. This change in the organizational structure was done to facilitate the combination of the two organizations through the transfer of TR Land Conservancy conservation properties to the Columbia Land Trust.

Columbia Land Trust and TR Land Conservancy's (collectively, the Trust) programs include:

**Land Conservation**

The Trust conserves the most important and threatened land using all the tools of private, voluntary land conservation. The Trust works exclusively with willing landowners to find ways to conserve, forever, the scenic and natural values of the land and water. Landowners donate or sell a conservation interest in their land, such as development rights or full ownership, to the Trust. The Trust manages the land under a stewardship plan and, if necessary, legally defends its conservation values. The Trust also identifies priority conservation lands to purchase. Further, the Trust conserves working forest and agricultural land for the purpose of keeping the land in resource production.

**Public Outreach**

The Trust increases awareness about the benefits of private land conservation and the mission of the Trust. Methods include focusing education and outreach to support conservation in priority areas, targeting technical advisors to landowners, showcasing successful projects to promote conservation and stewardship, and introducing the general public to land conservation through tours and publications.

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

1. THE ORGANIZATION, Continued

**Land Stewardship**

Protecting and enhancing the conservation values of lands acquired by the Trust is some of the most important work in which the Trust is involved. It is the responsibility of the Stewardship Program to protect conservation values and to be a good neighbor and community member for all Trust properties through science-based management. The Trust evaluates every property for its conservation value, the threats to these values, and for opportunities to enhance conservation values through responsible management. A stewardship plan is developed and implemented based on this analysis to include annual monitoring as part of an adaptive management framework. A number of Trust conservation properties currently include significant restoration work to replace lost functions and increase the conservation value of the property. Volunteers are a growing resource for the Stewardship Program with volunteers of all ages participating in planning and implementation. Individuals and groups are providing hundreds of hours of service stewarding conserved lands. A stewardship funding strategy, including gift donations during the acquisition process, is an integral part of every new conservation project. Stewardship funds are used to provide for future expenses of restoration, monitoring, enforcing compliance with easement restrictions, and underwriting legal defense of the conservation protections for all Trust properties. The Trust has also established a stewardship endowment to provide permanent support for program activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The consolidated financial statements include the accounts of Columbia Land Trust and TR Land Conservancy. All significant inter-organization amounts have been eliminated in consolidation.

Basis of Presentation

The Trust reports information regarding its financial position and activities according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of net assets and transactions in to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

- Unrestricted net assets represent net assets not subject to donor-imposed stipulations.
- Temporarily restricted net assets represent net assets subject to donor-imposed stipulations that may or will be met by actions of the Trust and/or the passage of time.

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Basis of Presentation, Continued

- Permanently restricted net assets represent net assets subject to donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of the Trust.

Expenses are recorded as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expiration of temporary restrictions on net assets is reported as net assets released from restrictions.

Cash and Cash Equivalents

For purposes of the consolidated statement of cash flows, the Trust considers all highly liquid investments available for current use, with maturities of three months or less at the time of purchase, to be cash equivalents.

Grants and Contributions Receivable

Grants and contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period the Trust is notified of the commitment. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Bequests are recorded as revenue at the time the Trust has an established right to the bequest and the proceeds are measurable.

Contracts Receivable

Contracts receivable are reported at the amount management expects to collect on balances outstanding at year-end. Based on an assessment of the credit history with those having outstanding balances and current relationships with them, management has concluded that realization losses on balances outstanding at year-end will be immaterial.

Inventory

Inventory, which consists primarily of T-shirts, baseball hats, and other items held for sale at various functions and public meetings, is carried at the lower of cost, as determined on a first-in-first-out basis, or market. Inventory totaled approximately \$3,300 and \$13,300 at December 31, 2015 and 2014, respectively.

Investments

Investments consist of marketable securities and are carried at current market value. Net appreciation (depreciation) in the fair value of investments, which consists of realized gains or losses and the unrealized appreciation (depreciation) of those investments, is shown in the consolidated statement of activities. Interest income is accrued as earned and reported net of investment advisory fees. Security transactions are recorded on a trade-date basis.

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Property and Equipment

Acquisitions of property and equipment in excess of \$5,000 are capitalized. Property and equipment purchased are recorded at cost. Donated assets are reflected as contributions at their estimated values on the date received.

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets which range from 3 to 6 years.

Conservation Property

Conservation property is reported at cost when purchased and at fair market value on the date received when acquired by gift. Conservation property value is held at a constant value and is not adjusted for depreciation or re-assessment. Also see Note 8 regarding conservation easements.

Income Tax Status

Columbia Land Trust and TR Land Conservancy are nonprofit corporations exempt from federal and state income tax under section 501(c)(3) of the Internal Revenue Code and applicable state law. No provision for income taxes is made in the accompanying financial statements, as neither organization has activities subject to unrelated business income tax. Neither organization is a private foundation.

The Trust follows the provisions of FASB ASC *Topic Accounting for Uncertainty in Income Taxes*. Management has evaluated the Trust's tax positions and concluded that there are no uncertain tax positions that require adjustment to the financial statements to comply with provisions of this Topic.

The Trust's information returns for years ended December 31, 2011 and prior are generally no longer subject to examination by taxing authorities in its major tax jurisdictions.

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Contributions restricted for long-term stewardship of conservation properties are generally not property-specific. Contributions of unrestricted and temporarily restricted gifts are recognized at the time of the gift.

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Restrictions and Unrestricted Revenue and Support, Continued

Temporarily restricted funds are released as unrestricted support at the time stewardship expenses are incurred. Service revenues are recognized at the time services are provided and the revenues are earned. Funds received in advance of providing services are recorded as deferred revenue until the services are provided. Membership payments received from the Trust's members are considered equivalent to unrestricted contributions and are recognized as revenue when received.

Donated Materials and Services

In-kind contributions of equipment and other materials are recorded where there is an objective basis upon which to value these contributions and where the contributions are an integral part of the Trust's activities. When conservation property is purchased at a bargain sale, that is, when the purchase price is below the appraised value, an in-kind contribution is recorded for the difference between the purchase price and the appraised value.

The Trust reports as revenue the fair value of contributed services received where the services require specialized skills, are provided by individuals possessing these skills, and represent services that would have been purchased had they not been donated. The Trust regularly receives contributed services from a variety of volunteers who assist the Trust in its programs and events; the value of such services has not been recognized in the accompanying financial statements since the criteria for recording these contributed services have not been met.

During the years ended December 31, 2015 and 2014, the Trust received the following in-kind contributions:

	2015	2014
Pro-bono legal and consulting service	\$ 29,527	\$ 61,443
Other in-kind professional services	4,557	46,531
Special events items and other goods	25,132	73,998
Other	2,400	71,258
Donated materials and services	61,616	253,230
Bargain sale on land and donated property	213,776	346,518
Total in-kind contributions	\$ 275,392	\$ 599,748

Donated property has been capitalized and other materials and services have been charged to the program to which they apply.

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Contributions of Long-Lived Assets

Contributions of equipment and other long-lived assets without donor-imposed stipulations concerning the use of such assets are reported as unrestricted revenues. Contributions of cash or other assets to be used to acquire equipment or other long-lived assets with such donor stipulations are reported as temporarily restricted revenue. The restrictions are considered to be released at the time of acquisition of such long-lived assets.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statement of activities and in the consolidated statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

Summarized Financial Information for 2014

The consolidated financial information as of December 31, 2014 and for the year then ended is presented for comparative purposes and is not intended to be a complete financial statement presentation.

Subsequent Events

The Trust has evaluated all subsequent events through March 24, 2016, the date the consolidated financial statements were available to be issued.

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

3. GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable are summarized as follows at December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Expected to be collected in:		
Less than one year	\$ 167,446	\$ 295,752
One to five years	<u>11,000</u>	<u>60,750</u>
Total grants and contributions receivable	<u>\$ 178,446</u>	<u>\$ 356,502</u>

Management estimates that any uncollectible accounts will be insignificant.

During 2015, Columbia Land Trust was the recipient of an estate bequest. As of December 31, 2015, the amount was not readily determinable due to outstanding claims and unsold stock in the estate. The bequest will be recorded at such time that the amount to be received can be determined.

4. CONTRACTS RECEIVABLE

Contracts receivable are unsecured and are summarized as follows at December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
U.S. Fish and Wildlife Service	\$ 866	\$ 93,651
Salmon Recovery Funding Board (passed through State of Washington)	368,894	575,365
Bonneville Power Administration	191,922	96,142
Oregon Watershed Enhancement Board	26,196	322,838
State of Washington Wildlife Recreation program	70,955	93,435
Others	<u>66,623</u>	<u>94,208</u>
Total contracts receivable	<u>\$ 725,456</u>	<u>\$ 1,275,639</u>

Amounts included in contracts receivable that are over 90 days past due totaled approximately \$311,000 and \$279,700 at December 31, 2015 and 2014, respectively.

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

5. INVESTMENTS

Investments at December 31, 2015 and 2014 are carried at fair value and consist of the following:

	<u>2015</u>	<u>2014</u>
Funds held at the Community Foundation for Southwest Washington	\$ 414,001	\$ 428,914
Mutual funds:		
Fixed income	1,439,487	1,486,236
Equity securities	3,687,693	3,048,618
Other mutual funds	383,722	581,275
Cash equivalents	<u>136,667</u>	<u>156,182</u>
Total investments	<u>\$ 6,061,570</u>	<u>\$ 5,701,225</u>

Investment income (loss) for the years ended December 31, 2015 and 2014 consists of:

	<u>2015</u>	<u>2014</u>
Interest and dividends	\$ 169,144	\$ 189,625
Net realized/unrealized gains (losses)	(318,549)	20,275
Investment fees	<u>(33,405)</u>	<u>(31,693)</u>
Net investment income (loss)	<u>\$ (182,810)</u>	<u>\$ 178,207</u>

Investments include funds held for investment with the Community Foundation for Southwest Washington (CFSW). The Trust's funds are pooled with other assets managed by CFSW and are invested in debt and equity securities. The Trust has not granted variance power to CFSW.

6. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Leasehold Improvements	\$ 22,218	\$ 22,218
Computer hardware and software	63,236	63,236
Office equipment and furniture	11,150	11,150
Stewardship equipment	<u>93,772</u>	<u>68,676</u>
Total property and equipment	190,376	165,280
Less accumulated depreciation	<u>141,001</u>	<u>123,567</u>
Net property and equipment	<u>\$ 49,375</u>	<u>\$ 41,713</u>



COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

7. CONSERVATION PROPERTY

Conservation property consists of the following at December 31, 2015 and 2014:

	2015	2014
Fee simple land and property	\$ 42,719,084	\$ 40,822,005
Land held on behalf of local governments	6,363,594	6,363,594
Access easements	18,300	18,300
Fee simple land in progress	-	11,125
Total conservation property	\$ 49,100,978	\$ 47,215,024

*Fee Simple Land and Property* includes conservation land and property held and maintained by the Trust. These lands are held for conservation purposes consistent with the Trust's mission and/or donor restrictions and are reported at cost and/or fair value as of the date received.

*Land Held on Behalf of Local Governments* includes land for which the Trust holds title and has committed to convey the property to local governmental agencies upon request or at the expiration of a specified period. In each of these transactions, a Memorandum of Understanding (MOU) has been executed between the Trust and the local governmental agency, dictating the terms of the future transfer. Accordingly, a corresponding liability is reported in the accompanying statement of financial position.

*Access Easements* include easements purchased or donated for the purpose of accessing certain properties owned by another person or entity to reach Trust land and property.

*Fee Simple Land in Progress* includes the initial costs of preparing to purchase conservation property.

8. CONSERVATION EASEMENTS

The Trust has acquired and holds a number of conservation easements, each representing a legal interest in land owned by another person or entity. The easements grant the Trust the right to use, control, and/or protect the land for conservation purposes. Because of the unique nature of these assets, the impracticality of obtaining consistent and reliable estimates of the values ascribed to these interests, and consistent with the practices followed by many environmental land trusts, the accompanying consolidated financial statements do not include any amounts for these property interests. At December 31, 2015 the Trust held 52 conservation easements on 4,658 acres of land (47 conservation easements and 4,497 acres of land at December 31, 2014).

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

9. LINE OF CREDIT

The Trust has a \$500,000 unsecured revolving line of credit with Columbia State Bank, expiring March 2016. Advances on the credit line are payable on demand and carry an interest rate of 4.5% at December 31, 2015 (prime plus 1% with a minimum rate of 4.5%). There were no advances on the line of credit at December 31, 2015. Subsequent to year end, the line of credit was renewed through March 2017.

10. NOTES PAYABLE

Notes payable consists of the following at December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Unsecured note payable to an individual, with no interest and payment upon maturity. Note is due December 2020.	\$ 30,000	\$ 30,000
Note payable to Craft3, with interest due quarterly at 2% and principal due upon maturity. The note was secured by real property and paid February 2015.	<u>-</u>	<u>313,500</u>
Total notes payable	<u>\$ 30,000</u>	<u>\$ 343,500</u>

Interest forgiven under the terms of the note payable for the years ended December 31, 2015 and 2014 totals \$1,800 and \$2,400, respectively, and has been recognized in the accompanying consolidated financial statements as an in-kind contribution.

II. CONTINGENCIES

Amounts received or receivable from various contracting agencies are subject to audit and potential adjustment by the contracting agencies. Any disallowed claims, including amounts already collected, would become a liability of the Trust if so determined in the future. It is management's belief that no significant amounts will be required to be returned in the future.

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

12. LEASE COMMITMENTS

The Trust's main office in Vancouver is leased under an operating lease with monthly rent of \$7,850 subject to annual increases. Subsequent to year end, the Trust relocated and entered into an agreement beginning February 2016 and expiring January 2023 with monthly rent of \$10,039 subject to annual increases.

The Trust also leases an office in Portland under an operating lease which expires September 2020, with monthly rent of \$1,942 subject to annual increases. The Trust receives one month with no rent annually.

Warehouse, equipment and other offices are leased under operating leases with monthly rent of \$2,230 with expiration dates from November 2016 through May 2019.

Rent expense for the above leases totaled approximately \$142,300 and \$125,200 for the years ended December 31, 2015 and 2014, respectively.

Future minimum lease commitments under operating leases are as follows:

For the years ending December 31, 2016	\$	158,500
2017		157,600
2018		155,300
2019		158,200
2020		156,800
Thereafter		<u>292,000</u>
		<u>\$ 1,078,400</u>

During the year ended December 31, 2004, the Trust entered into a 50-year land lease agreement to protect three Columbia River islands and adjacent floodplains that are important habitats for various species of salmon, migratory birds, and other wildlife. Under the terms of the lease, the Trust will pay \$1 annually for all rights to conserve and restore the island over the next 50 years (through December 31, 2055). However, the Trust has no affirmative obligation to use or maintain the land. As of December 31, 2015, the Trust has paid \$50 in advance under this arrangement. No in-kind contribution has been recorded in the accompanying consolidated financial statements to reflect the below-market lease rate as the value of the contribution is not readily determinable.

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

13. STEWARDSHIP COMMITMENT

Protecting and enhancing the conservation values of the lands acquired by the Trust, and doing so in perpetuity, is an important aspect of the Trust's work. The Trust evaluates each property it holds for its conservation value, as well as the threats to these values, and develops and implements a stewardship plan based on this analysis. The plan includes detailed monitoring on an annual basis. Current costs associated with the Trust's stewardship efforts are expensed as incurred. The costs of future obligations represent a commitment of the Trust and will be recorded as they are incurred.

14. BOARD DESIGNATED NET ASSETS

Board designated net assets are reserved as follows at December 31, 2015 and 2014:

Stewardship endowment (Note 21)	\$ 1,102,725	\$ 1,360,104
Operating reserve	132,500	132,500
Other	<u>149,411</u>	<u>149,470</u>
Total board designated net assets	<u>\$ 1,384,636</u>	<u>\$ 1,642,074</u>

15. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of the following at December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Land acquisition and related costs	\$ 1,222,176	\$ 1,099,676
Stewardship funds	953,319	957,057
Earnings on endowment (Note 21)	400,191	692,654
Other restrictions	57,193	38,576
Future periods	<u>95,700</u>	<u>317,400</u>
Total temporarily restricted net assets	<u>\$ 2,728,579</u>	<u>\$ 3,105,363</u>

Included in temporarily restricted net assets are contributions to the Trust from a legal settlement of parties unrelated to the Trust who have selected the Trust to provide conservation required by the legal settlement. At both December 31, 2015 and 2014, there was approximately \$579,200, included in temporarily restricted net assets related to this purpose.

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

16. PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets are held in endowment funds total \$3,850,214 and \$3,329,801 at December 31, 2015 and 2014, respectively. The principal portion of the endowment is permanently restricted and income on the principal is restricted to the Trust's stewardship (see Note 21, Endowment).

17. RETIREMENT PLANS

The Trust offers a tax-sheltered annuity plan as described under Section 403(b) of the Internal Revenue Code and a Simplified Employee Pension (SEP) plan to substantially all full-time and certain part-time employees. The Trust provides contributions to the SEP plan equal to 4% of the annual compensation of each participating employee (3% in 2014). Employees are allowed to participate in the plans immediately upon employment, and may make other contributions to the 403(b) plan up to the limits allowed by law. Contributions to the SEP plan for December 31, 2015 and 2014 totaled approximately \$56,800 and \$39,400, respectively. Subsequent to year end, a 401(k) plan was adopted.

18. RELATED PARTY TRANSACTIONS

Related parties include management and other parties that have the ability to significantly influence the management or operating policies of the Trust.

At times, the Trust has vendor relationships with companies where board members are employed. Amounts paid to related party vendors totaled approximately \$7,400 and \$40,800 for the year ended December 31, 2015 and 2014, respectively. At times, the Trust receives in-kind professional services from companies where board members are employees (Note 2).

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

19. CONCENTRATIONS OF CREDIT RISK

The Trust maintains its cash balances in several financial institutions, and has concentrated its credit risk for cash by maintaining deposits in banks located within the same geographic region. Balances in each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The balances, at times, may exceed the federally insured limit. Uninsured balances approximated \$807,200 and \$334,500 at December 31, 2015 and 2014, respectively.

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Credit risk for grants and pledges receivable is concentrated as well because substantially all of the balances are receivable from individuals or entities located within Oregon and Washington.

The Trust's revenues are concentrated with 37% of total revenues coming from one governmental agency for the year ended December 31, 2015 and 43% of total revenues coming from two governmental agencies for the year ended December 31, 2014.

20. FAIR VALUE MEASUREMENTS

Assets and liabilities recorded at fair value in the consolidated statement of financial position are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Level inputs are defined as follows:

**Level 1:** Unadjusted quoted prices in active markets for identical assets and liabilities.

**Level 2:** Observable inputs other than those included in Level 1, such as quoted market prices for similar assets or liabilities in active markets, or quoted market prices for identical assets or liabilities in inactive markets.

**Level 3:** Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair values requires significant management judgment or estimation.

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

20. FAIR VALUE MEASUREMENTS, Continued

Fair values of assets measured on recurring basis at December 31, 2015 and 2014 are as follows:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>
<b><u>December 31, 2015</u></b>			
Investments:			
Community Foundation	\$ 414,001	\$ -	\$ 414,001
Mutual funds:			
Fixed income - domestic	1,197,621	1,197,621	-
Fixed income - global	241,866	241,866	-
Equity - domestic	2,481,748	2,481,748	-
Equity - international/global	1,205,945	1,205,945	-
All asset - domestic	383,722	383,722	-
 <b><u>December 31, 2014</u></b>			
Investments:			
Community Foundation	\$ 428,914	\$ -	\$ 428,914
Mutual funds:			
Fixed income - domestic	1,171,721	1,171,721	-
Fixed income - global	314,515	314,515	-
Equity - domestic	2,166,656	2,166,656	-
Equity - international/global	881,962	881,962	-
All asset - domestic	581,275	581,275	-

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

Investments held at the Community Foundation in pooled funds are valued at the net asset per unit as provided by the Community Foundation trustees. Net asset value is based on fair value of the underlying assets of the funds using a market approach, using quoted market prices when available.

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

21. ENDOWMENT

The Trust's endowment consists of two individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by generally accepted accounting principles (GAAP), net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of the Trust have interpreted Washington's enacted Uniform Prudent Management of Institutional Funds Act (the Act or UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Trust classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Interpretation of Relevant Law, Continued

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Trust in a manner consistent with the standard of prudence prescribed by the Act. In accordance with UPMIFA, the Trust considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund,
- (2) The purposes of the Trust and the donor-restricted endowment fund,
- (3) General economic conditions,
- (4) The possible effect of inflation and deflation,
- (5) The expected total return from income and the appreciation of investments,
- (6) Other resources of the Trust, and
- (7) The investment policies of the Trust.



COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

21. ENDOWMENT, Continued

Endowment net asset composition by type of fund as of December 31, 2015 and 2014 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<u>December 31, 2015</u>				
Donor-restricted endowment funds	\$ -	\$ 400,191	\$ 3,850,214	\$ 4,250,405
Board-designated endowment funds	<u>1,102,725</u>	<u>-</u>	<u>-</u>	<u>1,102,725</u>
Total	<u>\$ 1,102,725</u>	<u>\$ 400,191</u>	<u>\$ 3,850,214</u>	<u>\$ 5,353,130</u>
<u>December 31, 2014</u>				
Donor-restricted endowment funds	\$ -	\$ 692,654	\$ 3,329,801	\$ 4,022,455
Board-designated endowment funds	<u>1,360,104</u>	<u>-</u>	<u>-</u>	<u>1,360,104</u>
Total	<u>\$ 1,360,104</u>	<u>\$ 692,654</u>	<u>\$ 3,329,801</u>	<u>\$ 5,382,559</u>

Changes in endowment net assets for the years ended December 31, 2015 and 2014 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets -				
December 31, 2013	\$ 1,240,385	\$ 632,528	\$ 3,142,923	5,015,836
Investment return, net	44,699	135,146	-	179,845
Contributions and bequests	-	-	186,878	186,878
Appropriation of endowment assets for expenditure	<u>75,020</u>	<u>(75,020)</u>	<u>-</u>	<u>-</u>
Endowment net assets -				
December 31, 2014	1,360,104	692,654	3,329,801	5,382,559
Investment return, net	(41,086)	(139,889)	-	(180,975)
Contributions and bequests	-	-	520,413	520,413
Appropriation of endowment assets for expenditure	<u>(216,293)</u>	<u>(152,574)</u>	<u>-</u>	<u>(368,867)</u>
Endowment net assets -				
December 31, 2015	<u>\$ 1,102,725</u>	<u>\$ 400,191</u>	<u>\$ 3,850,214</u>	<u>\$ 5,353,130</u>

COLUMBIA LAND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
December 31, 2015

21. ENDOWMENT, Continued

Return Objectives and Risk Parameters

The Trust has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Trust must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. Actual returns in any given year will vary from the benchmark.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Trust relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Trust targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

Distributions are made at such time that the board approves distributions of earnings on the permanently restricted endowment. Distributions of available earnings may be no greater than five percent of the average annual net fair market value of the endowment assets averaged over the three preceding years. In establishing this policy, the Trust considered the long-term expected return on its endowment that is consistent with the Trust's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

22. SUBSEQUENT EVENTS

In December 2015, the board of directors of TR Land Conservancy approved dissolution of the entity and transfer of the remaining nine easements to Columbia Land Trust. In February 2016, Columbia Land Trust's board of directors, as the sole member, approved dissolution of the entity.

In December 2015, the board of directors approved to accept approximately 500 acres of conservation land from the Port of Vancouver along with investments for ongoing maintenance. The transfer is anticipated to be completed in early 2016.

SUPPLEMENTARY INFORMATION



MCDONALD JACOBS  
ACCOUNTANTS & CONSULTANTS

**Shareholders**

*Mark A. Clift, CPA*

*Jill Oswald*

*Karin S. Wandtke, CPA*

*Sang Ahn, CPA*

*Gerard DeBlois Jr., CPA*

*Mary Strasdin, CPA*

*Anthony Almer, CPA*

**INDEPENDENT AUDITOR'S REPORT ON  
SUPPLEMENTAL INFORMATION**

To the Board of Directors  
Columbia Land Trust and  
TR Land Conservancy

**Principals**

*Jake Jacobs, CPA*

*Susan J. Marks, CPA*

*Tyee Carr, CPA*

*Victor Epstein, CPA*

We have audited the consolidated financial statements of Columbia Land Trust and TR Land Conservancy as of and for the year ended December 31, 2015, and our report thereon dated March 24, 2016, which expressed an unmodified opinion on those consolidated financial statements, appears on page I. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information in Schedules I and II is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets, and cash flows of the individual organizations, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*McDonald Jacobs, P.C.*

Portland, Oregon  
March 24, 2016

COLUMBIA LAND TRUST  
SUPPLEMENTARY INFORMATION - SCHEDULE I  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
December 31, 2015

	Columbia Land Trust	TR Land Conservancy	Consolidated Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,043,106	\$ 81,331	\$ 1,124,437
Grants and contributions receivable	178,446	-	178,446
Contracts receivable	725,456	-	725,456
Other receivables	21,691	-	21,691
Cash held for property conservation	579,206	-	579,206
Prepaid expenses and inventory	33,999	958	34,957
Investments	6,061,570	-	6,061,570
Property and equipment, net	49,375	-	49,375
Conservation property	49,100,978	-	49,100,978
 TOTAL ASSETS	 \$ 57,793,827	 \$ 82,289	 \$ 57,876,116
<b>LIABILITIES AND NET ASSETS</b>			
Liabilities:			
Accounts payable and accrued expenses	\$ 394,669	\$ 765	\$ 395,434
Grant payable	10,000	-	10,000
Notes payable	30,000	-	30,000
Conservation property held on behalf of local governments	6,363,594	-	6,363,594
Total liabilities	6,798,263	765	6,799,028
Net assets (deficit):			
Unrestricted:			
Undesignated	360,082	(33,182)	326,900
Board designated	1,384,636	-	1,384,636
Net investment in conservation property and other capital assets	42,786,759	-	42,786,759
Total unrestricted	44,531,477	(33,182)	44,498,295
Temporarily restricted	2,613,873	114,706	2,728,579
Permanently restricted	3,850,214	-	3,850,214
Total net assets	50,995,564	81,524	51,077,088
 TOTAL LIABILITIES AND NET ASSETS	 \$ 57,793,827	 \$ 82,289	 \$ 57,876,116

See independent auditor's report on supplementary information.

COLUMBIA LAND TRUST  
SUPPLEMENTARY INFORMATION - SCHEDULE II  
CONSOLIDATING STATEMENT OF ACTIVITIES  
For the year ended December 31, 2015

	Columbia Land Trust	TR Land Conservancy	Consolidated Total
<b>Changes in unrestricted net assets:</b>			
Support and revenue:			
Contributions and bequests	\$ 751,824	\$ -	\$ 751,824
Private and government grants	413,079	-	413,079
Donated materials and services	61,616	-	61,616
Special events, net of direct expenses	135,068	-	135,068
Interest income	1,043	113	1,156
Investment loss, net of fees	(42,921)	-	(42,921)
Other income	744,965	-	744,965
Net assets released from restrictions	1,662,103	-	1,662,103
Total support and revenue	<u>3,726,777</u>	<u>113</u>	<u>3,726,890</u>
Expenses:			
Program services:			
Land conservation	747,896	-	747,896
Public outreach	351,406	-	351,406
Land stewardship	1,468,737	-	1,468,737
Total program services	2,568,039	-	2,568,039
Management and general	551,054	5	551,059
Fundraising	456,307	-	456,307
Total expenses	<u>3,575,400</u>	<u>5</u>	<u>3,575,405</u>
Change in net assets before non-operating activities	151,377	108	151,485
Non-operating activities:			
Donated land	213,776	-	213,776
Net assets released from restrictions upon the acquisition of conservation property	1,740,724	-	1,740,724
Change in unrestricted net assets	<u>2,105,877</u>	<u>108</u>	<u>2,105,985</u>
<b>Change in temporarily restricted net assets:</b>			
Contributions	491,242	-	491,242
Private and government grants	2,674,690	-	2,674,690
Investment income, net of fees	(139,889)	-	(139,889)
Net assets released from restrictions:			
Satisfaction of purpose restrictions	(1,662,103)	-	(1,662,103)
Acquisition of conservation property	(1,740,724)	-	(1,740,724)
Change in temporarily restricted net assets	<u>(376,784)</u>	<u>-</u>	<u>(376,784)</u>
<b>Change in permanently restricted net assets:</b>			
Contributions	520,413	-	520,413
Change in net assets	2,249,506	108	2,249,614
<b>Net assets:</b>			
Beginning of year	48,746,058	81,416	48,827,474
End of year	<u>\$ 50,995,564</u>	<u>\$ 81,524</u>	<u>\$ 51,077,088</u>

See independent auditor's report on supplementary information.