November 21, 2016

Independent Auditor’s Report

To the Member of
Foundation for Canadian Parks and Wilderness

We have audited the accompanying financial statements of the Foundation for Canadian Parks and Wilderness (“the Foundation”), which comprise the statement of financial position as at March 31, 2016 and the statements of operations and changes in net assets - unrestricted and cash flows for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management’s responsibility for the financial statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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“PwC” refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

**Basis for qualified opinion**
In common with many not-for-profit organizations, the Foundation derives revenues from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to donations revenue, net revenue for the year and cash flows from operations for the years ended March 31, 2016 and 2015, current assets as at March 31, 2016 and 2015 and net assets as at the beginning and the end of the years ended March 31, 2016 and 2015. Our audit opinion on the financial statements for the year ended March 31, 2015 was modified accordingly because of the possible effects of this limitation in scope.

**Qualified opinion**
In our opinion, except for the possible effects of the matters described in the basis for qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2016 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants, Licensed Public Accountants
### Assets

#### Current assets

#### Total Current Assets
- **2016**: $540,063
- **2015**: $447,878

### Liabilities and Net Assets

#### Current liabilities
- **Accounts payable and accrued liabilities (note 4)**: $2,838 (2016) / $2,401 (2015)
- **Due to Canadian Parks and Wilderness Society (note 3)**: -$ (2016) / $17,168 (2015)

#### Total Current Liabilities
- **2016**: $2,838
- **2015**: $19,569

#### Net assets

#### Total Net Assets
- **2016**: $537,225
- **2015**: $428,309

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**Approved by the Board of Directors**

[Signatures of Directors]

The accompanying notes are an integral part of these financial statements.
## Foundation for Canadian Parks and Wilderness

**Statement of Operations and Changes in Net Assets - Unrestricted**

**For the year ended March 31, 2016**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bequests transferred from Canadian Parks and Wilderness Society (note 3)</td>
<td>140,372</td>
<td>50,524</td>
</tr>
<tr>
<td>Donations</td>
<td>-</td>
<td>125</td>
</tr>
<tr>
<td>Investment</td>
<td>1,224</td>
<td>1,997</td>
</tr>
<tr>
<td></td>
<td>141,596</td>
<td>52,646</td>
</tr>
<tr>
<td><strong>Expense</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank charges</td>
<td>41</td>
<td>36</td>
</tr>
<tr>
<td>Donations to Canadian Parks and Wilderness Society (note 3)</td>
<td>29,442</td>
<td>24,962</td>
</tr>
<tr>
<td>Professional fees</td>
<td>3,197</td>
<td>3,387</td>
</tr>
<tr>
<td></td>
<td>32,680</td>
<td>28,385</td>
</tr>
<tr>
<td><strong>Net revenue for the year</strong></td>
<td>108,916</td>
<td>24,261</td>
</tr>
<tr>
<td><strong>Net assets - Unrestricted - Beginning of year</strong></td>
<td>401,907</td>
<td>377,646</td>
</tr>
<tr>
<td><strong>Net assets - Unrestricted - End of year</strong></td>
<td>510,823</td>
<td>401,907</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.
## Foundation for Canadian Parks and Wilderness

**Statement of Cash Flows**

**For the year ended March 31, 2016**

<table>
<thead>
<tr>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

### Cash provided by (used in)

**Operating activities**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net revenue for the year</td>
<td>108,916</td>
<td>24,261</td>
</tr>
<tr>
<td>Net change in non-cash working capital items</td>
<td>(27,850)</td>
<td>(7,728)</td>
</tr>
<tr>
<td><strong>Net change in cash for the year</strong></td>
<td>81,066</td>
<td>16,533</td>
</tr>
</tbody>
</table>

- **Cash - Beginning of year**
  - 2016: 447,878  
  - 2015: 431,345  

- **Cash - End of year**
  - 2016: 528,944  
  - 2015: 447,878

The accompanying notes are an integral part of these financial statements.
1 Nature and purpose of the organization

The Foundation for Canadian Parks and Wilderness ("the Foundation") is incorporated under the Canada Not-for-profit Corporations Act. The Foundation is a registered charity and as such, it is exempt from income taxes, and may issue tax receipts for donations. The Foundation was established to support the Canadian Parks and Wilderness Society ("the Society").

The Foundation also promotes the conservation of natural land and marine ecosystems in Canada through public education, scientific studies and protection. In doing so the Foundation may solicit and receive donations, grants and bequests to fund its administration as well as projects undertaken directly or by other organizations promoting the same objectives of the Foundation.

2 Significant accounting policies

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expense during the reporting periods. Actual results could differ from these estimates.

Revenue recognition

The Foundation follows the deferral method of accounting for contributions. Endowment contributions are recognized as direct increases in net assets. 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.

Unrestricted and endowment investment revenue is available for spending at the discretion of the Foundation, and is recognized as revenue when it is earned.

3 Related party transactions and balances

The Society controls the Foundation as it is the sole member of the Foundation and therefore has the ability to appoint all of the Foundation’s Board of Directors.

By agreement, the Society transfers a portion of bequests to the Foundation.

The Society provides administrative services to the Foundation at no cost.

Amounts due to or from the Society have no specific repayment terms or conditions and are interest free.

4 Government remittances

Government remittances of $nil (2015 - $nil) are included in accounts payable and accrued liabilities.