

# **Foundation for Canadian Parks and Wilderness**

Financial Statements  
**March 31, 2020**



## *Independent auditor's report*

To the Members of Foundation for Canadian Parks and Wilderness

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### *Our qualified opinion*

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Foundation for Canadian Parks and Wilderness (the Foundation) as at March 31, 2020 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.

#### **What we have audited**

The Foundation's financial statements comprise:

- the statement of financial position as at March 31, 2020;
- the statement of operations and changes in net assets – unrestricted for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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### *Basis for qualified opinion*

In common with many not-for-profit organizations, the Foundation derives revenues from cash 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 foundation revenue, and net revenue and cash provided by (used in) operating activities for the years ended March 31, 2020 and 2019, current assets as at March 31, 2020 and 2019 and net assets as at the beginning and the end of the years ended March 31, 2020 and 2019. Our audit opinion on the financial statements for the year ended March 31, 2019 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

#### **Independence**

We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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### *Responsibilities of management and those charged with governance for the financial statements*

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

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### *Auditor's responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or



conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario  
September 28, 2020

# Foundation for Canadian Parks and Wilderness

## Statement of Financial Position

As at March 31, 2020

	2020 \$	2019 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash	439,660	558,376
Accounts receivable	15,040	-
Due from Canadian Parks and Wilderness Society (note 3)	-	480
	<u>454,700</u>	<u>558,856</u>
<b>Long-term assets</b>		
Note receivable (note 3)	<u>228,230</u>	-
	<u>682,930</u>	<u>558,856</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	3,668	3,493
Due to Canadian Parks and Wilderness Society (note 3)	<u>26,036</u>	-
	<u>29,704</u>	<u>3,493</u>
<b>Net Assets</b>		
<b>Unrestricted</b>	626,824	528,961
<b>Endowment</b>	<u>26,402</u>	<u>26,402</u>
	<u>653,226</u>	<u>555,363</u>
	<u>682,930</u>	<u>558,856</u>

Approved by the Board of Directors

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Director

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Director

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, 2020**

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	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>		
Bequests transferred from Canadian Parks and Wilderness Society (note 3)	90,700	44,871
Foundation revenue	120	-
Investment	33,234	2,048
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	124,054	46,919
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<b>Expense</b>		
Donations to Canadian Parks and Wilderness Society (note 3)	22,502	22,704
Professional fees	3,689	3,754
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	26,191	26,458
	<hr/>	<hr/>
<b>Net revenue for the year</b>	97,863	20,461
<b>Net assets – Unrestricted – Beginning of year</b>	<hr/>	<hr/>
	528,961	508,500
<b>Net assets – Unrestricted – End of year</b>	<hr/>	<hr/>
	626,824	528,961

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, 2020

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	2020 \$	2019 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Net revenue for the year	97,863	20,461
Net change in non-cash working capital items (note 4)	11,651	(42,334)
	109,514	(21,873)
<b>Financing activities</b>		
Net issuance of note receivable	(228,230)	-
<b>Change in cash during the year</b>	(118,716)	(21,873)
<b>Cash – Beginning of year</b>	558,376	580,249
<b>Cash – End of year</b>	439,660	558,376

The accompanying notes are an integral part of these financial statements.

# Foundation for Canadian Parks and Wilderness

## Notes to Financial Statements

March 31, 2020

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### 1 Nature and purpose of the organization

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 Summary of significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

#### 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.

#### 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 the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

### 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 bookkeeping and 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.



# Foundation for Canadian Parks and Wilderness

## Notes to Financial Statements

March 31, 2020

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On June 14, 2019, the Foundation issued a promissory note to 2646020 Ontario Inc., a wholly owned subsidiary of Canadian Parks & Wilderness Society, for \$228,230 (principal amount) for the purpose of renovation and repair of its elevator. The note bears interest at 6%, repayable in blended monthly instalments of \$1,917, due April 15, 2024.

#### 4 Net change in non-cash working capital

	2020	2019
	\$	\$
Accounts receivable	(15,040)	-
Due from CPAWS	480	(480)
Accounts payable	175	514
Due to CPAWS	26,036	(42,368)
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	11,651	(42,334)
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#### 5 Subsequent event

Subsequent to year-end, the Foundation is assessing the impact of the COVID-19 pandemic on its operations. Given the unprecedented nature of this event, it is difficult to predict the length or breadth of this disruption on its operations.