

# **Canadian Parks and Wilderness Society**

Consolidated Financial Statements  
**March 31, 2023**



## Independent auditor's report

To the Members of Canadian Parks and Wilderness Society

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### Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Canadian Parks and Wilderness Society and its subsidiaries (together, the Society) as at March 31, 2023 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 Society's consolidated financial statements comprise:

- the consolidated statement of financial position as at March 31, 2023;
- the consolidated statement of changes in net assets for the year then ended;
- the consolidated statement of operations for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

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### Basis for opinion

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 consolidated 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 opinion.

#### Independence

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

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



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

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Society'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 Society'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 consolidated 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 Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Society to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 25, 2023

# Canadian Parks and Wilderness Society

## Consolidated Statement of Financial Position

As at March 31, 2023

	2023 \$	2022 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	12,262,179	13,836,557
Guaranteed investment certificates (note 4)	690,829	186,727
Accounts receivable (note 6)	1,115,580	554,545
Due from Subsidiary (note 7)	159,645	-
Due from Foundation (note 12)	61,259	20,268
Investments (note 5)	2,067,886	910,337
Prepaid expenses	111,861	119,073
	<u>16,469,239</u>	<u>15,627,507</u>
<b>Investment in Subsidiary</b> (note 7)	2,033,799	932,599
<b>Capital assets</b> (note 9)	<u>311,761</u>	<u>325,632</u>
	<u>18,814,799</u>	<u>16,885,738</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 10)	931,769	556,926
Due to Chapters (note 11)	1,009,270	1,124,997
Deferred contributions (note 13)	7,700,600	7,070,767
	<u>9,641,639</u>	<u>8,752,690</u>
<b>Net Assets</b>		
Unrestricted	4,559,911	3,623,594
Invested in capital assets	311,761	325,632
Internally restricted – Reserve fund	801,488	703,974
Endowment – Now and Forever Wild Fund (note 14)	3,500,000	3,479,848
	<u>9,173,160</u>	<u>8,133,048</u>
	<u>18,814,799</u>	<u>16,885,738</u>

**Commitments** (note 16)

### Approved by the Board of Directors

Signatures intentionally removed for website

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Director \_\_\_\_\_ Director

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

# Canadian Parks and Wilderness Society

## Consolidated Statement of Changes in Net Assets

For the year ended March 31, 2023

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	Balance – Beginning of year \$	Net revenue for the year \$	Transfers from (to) \$	Balance – End of year \$
Unrestricted	3,623,594	1,040,112	(103,795)	4,559,911
Invested in capital assets	325,632	-	(13,871)	311,761
Internally restricted – Reserve fund	703,974	-	97,514	801,488
Endowment – Now and Forever Wild Fund (note 14)	3,479,848	-	20,152	3,500,000
	<u>8,133,048</u>	<u>1,040,112</u>	<u>-</u>	<u>9,173,160</u>

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

# Canadian Parks and Wilderness Society

## Consolidated Statement of Operations

For the year ended March 31, 2023

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	2023 \$	2022 \$
<b>Revenue</b>		
Individuals	2,549,719	2,621,152
Foundations	7,436,347	5,986,985
Corporations	257,160	432,052
Government (note 13)	3,824,808	2,116,627
	<hr/> 14,068,034	<hr/> 11,156,816
<b>Expenses</b> (schedule 1)		
Conservation program	11,679,590	7,811,067
Conservation awareness	948,655	872,444
Membership and development	679,984	617,520
Operations	1,368,965	1,069,513
Amortization of capital assets	62,625	57,056
	<hr/> 14,739,819	<hr/> 10,427,600
Other income (expense)		
Gain (loss) on equity accounted Subsidiary (note 7)	1,266,222	(288,949)
Gain on investments	168,921	242,942
Other items of income (expense), net	276,754	318,204
	<hr/> 1,711,897	<hr/> 272,197
<b>Net revenue for the year</b>	<hr/> <b>1,040,112</b>	<hr/> <b>1,001,413</b>

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

# Canadian Parks and Wilderness Society

## Consolidated Statement of Cash Flows

For the year ended March 31, 2023

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	2023 \$	2022 \$ (revised – note 18)
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Net revenue for the year	1,040,112	1,001,413
Items not affecting cash		
Amortization of capital assets	62,625	57,056
Change in fair value of investments	45,498	(153,684)
(Gain) loss on equity accounted Subsidiary (note 7)	(1,101,200)	288,949
Net change in non-cash working capital items (note 17)	134,489	2,921,763
	<hr/> 181,524	<hr/> 4,115,497
<b>Investing activities</b>		
Purchase of guaranteed investment certificates	(540,831)	(186,727)
Proceeds on redemption of guaranteed investment certificates	40,832	185,877
Purchase of investments	(3,049,468)	-
Proceeds from sale of investments	1,842,319	1,465
Purchase of capital assets	(48,754)	(26,189)
Payment received on notes receivable from Subsidiary (note 8)	-	1,914,995
	<hr/> (1,755,902)	<hr/> 1,889,421
<b>Change in cash during the year</b>	(1,574,378)	6,004,918
<b>Cash – Beginning of year</b>	<hr/> 13,836,557	<hr/> 7,831,639
<b>Cash – End of year</b>	<hr/> <hr/> 12,262,179	<hr/> <hr/> 13,836,557

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



# Canadian Parks and Wilderness Society

## Notes to Consolidated Financial Statements

March 31, 2023

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### 1 Nature and purpose of the organization

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

The Society is dedicated to the protection of public land, freshwater and ocean with a strong national and regional presence across the country. Working in a way that respects the sovereignty and leadership of Indigenous nations, the Society achieves its mission through knowledge-based advocacy, and public education and engagement, underpinned by collaboration and partnership.

### 2 Chapters

Regional activities are conducted by Regional Chapters of the Society, some of which are unincorporated and controlled by the Society (Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Ottawa Valley and Newfoundland and Labrador) and some of which are incorporated and not controlled by the Society, but operate through agency agreements (The Wildlands League, Southern Alberta, Northern Alberta, British Columbia, the Yukon, and the Northwest Territories).

### 3 Summary of significant accounting policies

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

#### **Basis of presentation**

These consolidated financial statements include the assets, liabilities, revenue and expenses of the Society, including its unincorporated chapters (note 2).

These consolidated financial statements do not include the assets, liabilities, revenue or expenses of the chapters that are incorporated and not controlled by the Society during the year but operate through agency agreements. Revenue and expenses of these chapters relating to regional activities contracted out by the Society during the year are included in these consolidated financial statements.

The Society also controls the Foundation for Canadian Parks and Wilderness (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. The Foundation has not been consolidated in the Society's consolidated financial statements. Summaries of the financial position, results from operations and cash flows of the Foundation are provided in note 12.

# Canadian Parks and Wilderness Society

## Notes to Consolidated Financial Statements

March 31, 2023

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### **Use of estimates**

The preparation of the consolidated 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 consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held with banks and other short-term highly liquid investments with original maturities of three months or less.

### **Financial instruments**

A financial asset or a financial liability is initially recognized when the Foundation becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished.

The Foundation initially measures financial assets originated or acquired and financial liabilities issued or assumed in an arm's length transaction at fair value. These financial assets and liabilities are subsequently measured at amortized cost.

Financial assets measured at amortized cost include cash and cash equivalents and notes receivable.

### **Revenue recognition**

The Society follows the deferral method of accounting for contributions. Endowment contributions (note 14) are recognized as direct increases in net assets. Other externally restricted contributions are deferred and 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.

### **Contributed material and services**

Volunteers contribute an indeterminable number of hours per year to the Society. Due to the difficulty in determining their fair value, contributed services are not recognized in the consolidated financial statements.

Donated materials are recorded as donations revenue at their fair value at the time the materials are donated if these materials are used in the normal course of operations, would otherwise be purchased by the Society and if their fair value can be reasonably estimated. During the year, the Society received the equivalent of \$399 (2022 – \$nil) in donated materials and gifts-in-kind.

### **Guaranteed investment certificates**

Guaranteed investment certificates are measured at amortized cost.

# Canadian Parks and Wilderness Society

## Notes to Consolidated Financial Statements

March 31, 2023

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### Investments

Investments are measured at fair value. Changes in fair value are included in net revenue for the year.

### Investments in subsidiaries

Investments in wholly owned subsidiary companies are recorded using the equity method. Under this method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Society's share of the post-acquisition profits or losses of the subsidiary. Dividends received or receivable from the subsidiary are recognized as a reduction in the carrying amount of the investment.

### Note receivable

Note receivable is measured at amortized cost.

### Capital assets

Capital assets are recorded at cost less accumulated amortization. Capital assets are amortized on a declining balance basis over their expected useful lives at the following annual rates and term:

Computer and telephone equipment	30%
Computer software	30%
Office renovation and moving costs	term of the lease

## 4 Guaranteed investment certificates

Guaranteed investment certificates earn interest at rates ranging from 0.05% to 5.00% (2022 – ranging from 0.05% to 1.55%) and mature within three years.

## 5 Investments

	2023	2022
	\$	\$
Cash and cash equivalents	229,277	46,745
Corporate bonds	480,812	75,224
Corporate stocks and pooled funds	1,357,797	788,368
	<u>2,067,886</u>	<u>910,337</u>

# Canadian Parks and Wilderness Society

## Notes to Consolidated Financial Statements

March 31, 2023

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### 6 Accounts receivable

Commodity tax rebates of \$189,881 (2022 – \$70,590) are included in accounts receivable.

### 7 Investment in Subsidiary

On August 27, 2018, the Society purchased 100 common shares in the capital of 2646020 Ontario Inc. (the Subsidiary) for \$100. On September 6, 2018, the Society purchased an additional 1,699,900 common shares in the capital of the Subsidiary for \$1,699,990. The Subsidiary is a for-profit entity incorporated under the Ontario Business Corporations Act. The Society accounts for its investment in the Subsidiary using the equity method.

The Society controls the Subsidiary, as it is the sole owner of all common shares.

The table below provides summarized financial information for the Subsidiary. The information disclosed reflects the amounts presented in the unaudited financial statements as at December 31, 2022.

In December 2022, the Subsidiary declared a dividend of \$165,000 payable to the Society, which was included in the Society's consolidated financial statements as due from Subsidiary and gain from Subsidiary.

During the year ended March 31, 2023, the Society accounted for the sale of land and building for proceeds of \$7,850,000, resulting in a gain on sale of \$1,418,870.

# Canadian Parks and Wilderness Society

## Notes to Consolidated Financial Statements

March 31, 2023

### Financial position

	December 31, 2022 \$	December 31, 2021 \$
<b>Assets</b>		
Cash	2,339,052	113,298
Accounts receivable	16,368	2,704
Prepaid expenses	-	7,222
	<hr/>	<hr/>
	2,355,420	123,224
<b>Property</b>	-	6,398,550
<b>Deferred finance charges</b>	-	18,910
	<hr/>	<hr/>
	2,355,420	6,540,684
	<hr/>	<hr/>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	161,976	49,154
Tenant lease deposits	-	65,385
Current portion of long-term debt	-	132,014
	<hr/>	<hr/>
	161,976	246,553
<b>Due to Canadian Parks and Wilderness Society</b>	159,645	215,916
<b>Long-term debt</b>	-	5,145,638
	<hr/>	<hr/>
	321,621	5,608,107
	<hr/>	<hr/>
<b>Shareholder's Equity</b>		
Share capital	1,700,000	1,700,000
Retained earnings (deficit)	333,799	(767,423)
	<hr/>	<hr/>
	2,033,799	932,577
	<hr/>	<hr/>
	2,355,420	6,540,684
	<hr/>	<hr/>
<b>Results from operations</b>		
Revenue	55,594	511,405
Expenses	168,396	800,354
	<hr/>	<hr/>
Loss from operations	(112,802)	(288,949)
Gain on sale of property	1,418,870	-
	<hr/>	<hr/>
Income (loss) before income taxes	1,306,068	(288,949)
Income taxes	39,846	-
	<hr/>	<hr/>
Net income (loss) for the year	1,266,222	(288,949)
Deficit, beginning of year	(767,423)	(478,474)
Dividends paid	(165,000)	-
	<hr/>	<hr/>
Retained earnings (deficit), end of year	333,799	(767,423)
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# Canadian Parks and Wilderness Society

## Notes to Consolidated Financial Statements

March 31, 2023

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### 8 Note receivable

On September 1, 2018, the Society issued a promissory note receivable to the Subsidiary, a wholly owned subsidiary, for \$1,700,000 (the Principal Amount) for the purchase of a building. The note bore interest at 4.44%, reimbursable in monthly, interest-only payments, on the first day of each month until the Principal Amount is repaid in full on September 11, 2023. Any interest accrued and unpaid would be paid in full on September 11, 2023.

On January 1, 2019, the Society converted the reimbursable cost (initial establishment expenses) amounting to \$214,995 (the Principal Amount) into a promissory note receivable from the Subsidiary. The note bore interest at 6.00%, calculated and compounded annually. The Principal Amount, and any interest accrued and unpaid thereon, was originally payable in full on December 1, 2022.

On September 10, 2021, the Society issued a promissory note receivable to the Subsidiary for \$50,000 (the Principal Amount). The note bore interest at 6.00%, calculated and compounded annually. The Principal Amount, and any interest accrued and unpaid thereon, was originally due for payment in full on October 1, 2024. On December 15, 2021, the Society issued another promissory note receivable to the Subsidiary for \$50,000 (the Principal Amount). The note bore interest at 6.00%, calculated and compounded annually. The Principal Amount, and any interest accrued and unpaid thereon, was originally due for payment in full on January 1, 2025.

On February 10, 2022, the Subsidiary sold land and building to a third party at arm's length and made full repayment to the Society for the promissory notes receivable and all the interest accrued and unpaid as of February 10, 2022.

### 9 Capital assets

			2023	2022
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Computer and telephone equipment	235,840	154,804	81,036	56,404
Computer software	16,411	16,343	68	129
Office renovation and moving costs	384,428	153,771	230,657	269,099
	636,679	324,918	311,761	325,632

Cost and accumulated amortization amounted to \$587,924 and \$262,292, respectively, as at March 31, 2022.

# Canadian Parks and Wilderness Society

## Notes to Consolidated Financial Statements

March 31, 2023

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### 10 Government remittances

Government remittances of \$219 (2022 – \$32) are included in accounts payable and accrued liabilities.

### 11 Incorporated chapters – Balances and transactions

Revenue includes donations, bequests and grants that are specifically designated for a program. These items are normally applied for by a chapter. The Society initially receives these amounts and then contracts with the appropriate chapter. Conservation program expense includes amounts that were contracted to the incorporated chapters.

Amounts due to or from chapters are non-interest bearing.

The intercompany balances and transactions between the unincorporated chapters and the Society are eliminated in these consolidated financial statements.

### 12 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, is exempt from income taxes and may issue tax receipts for donations. The Foundation was established to support 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 as the Foundation.

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.

The Foundation has not been consolidated in these consolidated financial statements. Summaries of the financial position, results from operations and cash flows of the Foundation as at March 31, 2023 and 2022, and for the years then ended are as follows.

# Canadian Parks and Wilderness Society

## Notes to Consolidated Financial Statements

March 31, 2023

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### Financial position

	2023 \$	2022 \$
<b>Assets</b>		
Cash	949,956	889,574
<b>Liabilities</b>		
Accounts payable and accrued liabilities	9,040	7,490
Due to Canadian Parks and Wilderness Society (note 3)	61,259	20,268
	70,299	27,758
<b>Net assets</b>		
Unrestricted	853,255	835,414
Endowment	26,402	26,402
	879,657	861,816
	949,956	889,574
<b>Results from operations</b>		
Total revenue	72,746	122,536
Total expenses	54,905	38,449
Net revenue for the year	17,841	84,087
<b>Cash provided by</b>		
Operating activities	60,382	15,978
Investing activities	-	212,539

In April 2022, the Society and the Foundation signed a new contribution and granting agreement. By agreement, the Society contributes to the Foundation in the amount of \$50,000 on an annual basis, and the Foundation makes an annual grant to the Society to fulfill its disbursement quota requirement. The Society provides accounting and administrative services to the Foundation at no cost.

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

The Society's revenue from foundations includes \$45,840 (2022 – \$30,934) in donations from the Foundation for the Society.



# Canadian Parks and Wilderness Society

## Notes to Consolidated Financial Statements

March 31, 2023

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### 13 Deferred contributions

	2023 \$	2022 \$
Balance – Beginning of year	7,070,767	4,447,090
Amounts received	10,856,824	9,443,696
Amounts recognized as revenue	(10,226,991)	(6,820,019)
	<hr/>	<hr/>
Balance – End of year	7,700,600	7,070,767

In October 2021, the Society signed an agreement with the Government of Quebec for a grant totalling \$3,300,000 for the “Present for Municipalities” initiative. This initiative is for the creation of protected areas and conservation corridors throughout the Province of Quebec. The Society received \$2,200,000 in December 2021 and \$1,100,000 in February 2023.

For the year ended March 31, 2023, \$957,432 (2022 – \$228,201) relating to this initiative was spent and recognized as government revenue, and there is a remaining amount of \$2,114,367 (2022 – \$1,971,799) related to this initiative included in deferred contributions as at March 31, 2023. Any unused grant as of September 30, 2026 is to be reimbursed to the Government of Quebec by that date.

### 14 Now and Forever Wild Fund

Now and Forever Wild Fund (the Fund) consists of externally restricted endowment contributions whereby the capital of the Fund shall be held in perpetuity and income and realized capital gains may be used in designated areas. During the 2023 fiscal year, \$20,152 was transferred from unrestricted net assets to the Fund. As at March 31, 2023, \$3,500,000 of the Fund (2022 – \$3,479,848) represented externally restricted endowment contributions

### 15 Financial instruments

#### Credit risk

Credit risk is the risk one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments that potentially subject the Society to credit risk consist principally of cash and cash equivalents, guaranteed investment certificates, accounts receivable and investments.

The Society’s cash and cash equivalents and guaranteed investment certificates are held with a Canadian chartered bank; therefore, management considers the likelihood of non-performance to be remote.

# Canadian Parks and Wilderness Society

## Notes to Consolidated Financial Statements

March 31, 2023

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For accounts receivable, the Society deals with creditworthy counterparties to mitigate the risk of financial loss from defaults.

### **Currency risk**

Currency risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at March 31, 2023, cash denominated in United States dollars amounted to \$80,123 (2022 – \$65,379) in Canadian dollars. There were no other balances held in foreign currencies.

### **Interest rate risk**

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society's cash equivalents and guaranteed investment certificates contain variable interest rates based on the bank's prime rate. As a result, the Society is exposed to interest rate risk due to fluctuations in the bank's prime rate. The Society's interest-bearing investments amount to \$5,223,399 (2022 – \$6,818,818).

### **Price risk**

Investment in financial instruments renders the Society susceptible to price risk arising from the changes in the market value of investments. The maximum investment risk to the Society is equal to the fair value of the investments. Investments, as listed in note 5, of \$2,067,886 (2022 – \$910,337) will vary with market conditions.

### **Liquidity risk**

Liquidity risk is the risk an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society manages its liquidity risk by monitoring its operating requirements. The Society prepares budget forecasts to ensure it has sufficient funds to fulfill its obligations. The Society relies on cash flows from operations and its reserves to provide cash required to meet liabilities as they fall due.

# Canadian Parks and Wilderness Society

## Notes to Consolidated Financial Statements

March 31, 2023

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### 16 Commitments

The Society has commitments related to the rental of equipment and premises as follows:

For the years ending	\$
March 31, 2024	279,926
2025	156,781
2026	131,065
2027	116,925
2028	126,784
Thereafter	147,399
	<hr/>
	958,880
	<hr/>

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

	2023	2022
	\$	\$
Accounts receivable	(720,680)	572,195
Due from Foundation	(40,991)	11,269
Prepaid expenses	7,212	31,988
Accounts payable and accrued liabilities	374,843	(193,403)
Due to chapters	(115,727)	(123,964)
Deferred contributions	629,832	2,623,678
	<hr/>	<hr/>
	134,489	2,921,763
	<hr/>	<hr/>

### 18 Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

In the comparative figures, payment received on the note receivable of \$1,914,995 was previously classified as financing activities but has been re-presented as investing activities in the current year consolidated financial statements. There was no impact to the consolidated statement of operations or the consolidated statement of changes in net assets.

# Canadian Parks and Wilderness Society

## Schedule 1 – Expenses

For the year ended March 31, 2023

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	2023	2022
	\$	\$
<b>Expenses</b>		
Advertising	85,662	57,266
Amortization of capital assets	62,625	57,056
Bank interest and charges	53,949	51,740
Compensation	5,086,087	4,469,714
Insurance	32,219	34,432
Membership	149,560	122,805
Occupancy	279,871	278,491
Office equipment	45,843	13,866
Office expense	219,118	195,363
Other expenses	504,178	86,521
Professional	3,182,203	1,465,342
Professional development	23,850	4,670
Revenue disbursement to incorporated chapters	4,188,941	3,462,011
Travel	825,713	128,323
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	14,739,819	10,427,600