

Wildlands League

Financial Statements

March 31, 2024



Independent Auditor's Report

To the Members of

Wildlands League

Qualified Opinion

We have audited the financial statements of **Wildlands League** (the Organization), which comprise the statement of financial position as at **March 31, 2024**, the statements of operations, changes in net assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the 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 the Organization as at March 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were not able to determine whether any adjustments might be necessary to the donation and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023, and fund balances as at April 1 and March 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended March 31, 2023 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 are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 Organization'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 Organization'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 Organization 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.

Clarkson Rouble LLP

Mississauga, Ontario
September 16, 2024

Clarkson Rouble LLP
Chartered Professional Accountants
Licensed Public Accountants



Wildlands League

Statement of Financial Position As at March 31

	2024	2023
Assets		
Current		
Cash	\$ 115,812	\$ 218,230
Short term investments	3,405	3,161
Accounts receivable	140,242	165,130
Sales taxes receivable	28,110	26,993
Due from Canadian Parks and Wilderness Society (Note 5)	14,734	12,786
Prepaid expenses	11,395	11,126
	\$ 313,698	\$ 437,426
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 61,033	\$ 66,574
CEBA Loan (Note 7)	-	60,000
Deferred project contributions (Note 3)	296,725	101,726
	357,758	228,300
Net assets		
Unrestricted net assets	(44,060)	209,126
	\$ 313,698	\$ 437,426

See accompanying notes to financial statements

On behalf of the Board:

 Director  Director

Wildlands League

Statement of Operations and Changes in Net Assets Year Ended March 31

	2024	2023
Revenue		
Foundation, corporate and other program grants	\$ 765,263	\$ 835,479
Individual donations	127,897	87,032
Canadian Parks and Wilderness Society (Note 5)	102,070	116,380
Interest and other income	4,993	4,934
Recovery of expenses	34,846	34,397
Fees for service	101,655	1,500
Events	5,469	5,064
Government subsidies (Note 7)	20,000	-
	<u>1,162,193</u>	<u>1,084,786</u>
Expenses		
Salaries and benefits	897,232	769,535
Professional and contract services	234,941	83,124
Occupancy cost	48,617	45,948
Office and general	43,608	33,936
Telecommunications	23,080	25,980
Travel	98,581	100,136
Public outreach	7,064	43,815
Board	-	4,159
Reimbursable expenditures	29,272	28,157
Fundraising and events	32,984	47,407
	<u>1,415,379</u>	<u>1,182,197</u>
Deficiency of revenue over expenses for the year	(253,186)	(97,411)
Unrestricted net assets, beginning of period	209,126	306,537
Unrestricted net assets, end of period	\$ (44,060)	\$ 209,126

See accompanying notes to financial statements

Wildlands League

Statement of Cash Flows Year Ended March 31

	2024	2023
Operating activities		
Deficiency of revenue over expenses for the year	\$ (253,186)	\$ (97,411)
Net change in working capital items		
Operating working capital		
Account receivable	24,888	5,659
Sales taxes receivable	(1,117)	(15,352)
Due from CPAWS	(1,948)	726
Prepaid expenses	(269)	349
Accounts payable	(5,541)	(104,073)
CEBA loan	(60,000)	-
Deferred project contributions	194,999	(61,274)
Decrease from operating activities	(102,174)	(271,376)
Investing activity		
Change in short term investments	(244)	-
Decrease from investing activity	(244)	-
Decrease in cash	(102,418)	(271,376)
Cash, beginning of year	218,230	489,606
Cash, end of year	\$ 115,812	\$ 218,230

See accompanying notes to financial statements

Wildlands League

Notes to Financial Statements March 31, 2024

Wildlands League (the "League") is a registered charity devoted to the protection and preservation of wilderness in Ontario and to the sustainable use of natural resources. The League is a chapter of the Canadian Parks and Wilderness Society (CPAWS). The two organizations co-operate on certain activities while they continue to operate as separate legal entities each with their own Board and separate registrations as federal charitable organizations.

Algonquin Wildlands League was incorporated on April 1, 1968 without share capital under the laws of the Province of Ontario. It is classified as a non-profit organization under the Income Tax Act (Canada) and, as such, is exempt from income taxes. Effective February 29, 2008 its legal name was changed to Wildlands League.

1. Summary of significant accounting policies

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered to be particularly significant:

a) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and bank balances, including bank overdrafts when bank balances fluctuate frequently from being positive to overdrawn.

b) Revenue recognition

The League follows the deferral method of accounting for contributions. Restricted contributions are recognized in the year in which the related expenses are incurred. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

c) Capital assets

Capital assets costing greater than \$10,000 are capitalized at cost or at estimated fair market value, if donated, less accumulated amortization. Amortization is provided on a straight line basis over the number of years equal to the approximate economic life of the asset.

d) Donated materials and services

Donated materials and capital assets are recognized in the accounts when the fair market value of the materials is readily determinable and has been receipted by the organization.

Volunteers contribute many hours per year to assist Wildlands League in carrying out its mandate. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Wildlands League

Notes to Financial Statements

March 31, 2024

1. Summary of significant accounting policies (continued)

e) Measurement of financial instruments

Financial instruments

The League initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The League subsequently measures all its financial assets and liabilities at amortized cost, except for investments, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Financial assets measured at fair value include investments which consists of cash and money market funds. The League has elected to carry all of its short term investments as fair value.

The League has no financial liabilities measured at fair value and has not elected to carry any financial liability at fair value.

Transaction costs

The League recognizes its transaction costs in net income in the period incurred except for financial instruments that will not be subsequently measured at fair value. The carrying amount of these instruments are adjusted by the transaction costs that are directly attributable to their issuance.

f) Measurement uncertainty

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

Wildlands League

Notes to Financial Statements

March 31, 2024

2. Going concern

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the League be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The League's continuance as a going concern is dependent upon its ability to obtain revenues sufficient to support its operations. It is not possible to predict whether fundraising efforts will be successful or if the League will be able to generate revenues to meet its operating expenditures.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate, because management intends to take measures that will mitigate the effect of the conditions and facts that raise doubts about the appropriateness of this assumption.

Continued financial support of both the public and private sectors, memberships and attendance at future events will be required for the League to continue operations.

3. Deferred project contributions

Deferred contributions represent unspent externally restricted donations received by the League relating to activities of the subsequent period or to specific projects which extend beyond the current fiscal period.

	2024	2023
Balance, beginning of period	\$ 101,726	\$ 163,000
Donations/Grants received/receivable during the period	1,087,332	949,262
Less: amounts recorded as revenue in the period	(892,333)	(1,010,536)
Balance, end of period	<u>\$ 296,725</u>	<u>\$ 101,726</u>

Wildlands League

Notes to Financial Statements

March 31, 2024

4. Commitments and contingencies

The League has an agreement to lease premises. Future minimum payments, by year, consisted of the following at October 31, 2026.

2025	\$	45,300
2026		47,568
2027		28,543
	\$	<u>121,411</u>

5. Related party transactions

Membership renewal and other donations to the Canadian Parks and Wilderness Society are shared between the National Office and the Regional Chapters based on the donor's place of residence. CPAWS also enters into contracts with the Regional Chapters to provide grants for conservation programs. During the year, the League recognized revenue of \$102,070 (2023 - \$116,380) from donations and grants through the Canadian Park and Wilderness Society. The League also paid to CPAWS its portion of liability and property insurance premiums as it is covered under the CPAWS policy.

6. Financial instruments risk exposure

The League is exposed to various risks through financial instruments. The following analysis provides a measure of the League's risk exposure and concentrations at the balance sheet date.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The League's main credit risk relates to its accounts receivable, however the risk is limited due to the nature of its accounts receivable. Contributions are not recorded in receivables unless collection is reasonably assured. The allowance for doubtful accounts is \$Nil (2023 - \$Nil).

Liquidity risk

Liquidity risk is the risk that the League will encounter difficulty in meeting obligations associated with financial liabilities. The League is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The League expects to meet these obligations as they come due through sufficient cash flows from operations. The League has not had issues with meeting obligations in the past.

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7. Government assistance related to Covid-19

The organization has received a loan of \$60,000 under the Canada Emergency Business Account (CEBA) program. The loan is non interest bearing with no principal payments required, and if repaid before January 18, 2024 will result in a loan forgiveness of up to \$20,000. If the loan is not repaid in full by January 18, 2024 it will automatically be extended by 2 years until December 31, 2025. During the extension period, interest will be charged and will accrue on the outstanding amount at a fixed rate of 5% calculated daily and compounded monthly. The loan was repaid before January 18, 2024.