

**Ottawa Riverkeeper Inc.**  
**Financial Statements**  
For the year ended March 31, 2021

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## Independent Auditor's Report

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To the members of  
Ottawa Riverkeeper Inc.

### Qualified Opinion

We have audited the financial statements of Ottawa Riverkeeper Inc. (the Organization), which comprise the statements of financial position as at March 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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 the Organization as at March 31, 2021, and its results of operations 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 fundraising activities 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 Organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2021 and 2020, current assets as at March 31, 2021 and 2020, and net assets as at March 31 for both the 2021 and 2020 years. Our audit opinion on the financial statements for the year ended March 31, 2020 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 opinion.





## **Responsibilities of Management and Those Charged with Governance 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.

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.

## **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.

*BDO Canada s.r.l./LLP*

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario  
September 21, 2021

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## Ottawa Riverkeeper Inc. Statement of Financial Position

March 31	2021	2020
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 655,347	\$ 537,360
Amounts receivable	88,095	119,165
Prepaid expenses	5,384	16,258
	<u>748,826</u>	<u>672,783</u>
<b>Tangible capital assets (Note 2)</b>	<u>45,729</u>	<u>43,361</u>
	<u>\$ 794,555</u>	<u>\$ 716,144</u>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 3)	\$ 122,677	\$ 129,222
Deferred contributions	268,079	293,050
	<u>390,756</u>	<u>422,272</u>
<b>Deferred contributions related to tangible capital assets (Note 5)</b>	<u>26,087</u>	<u>22,151</u>
	<u>416,843</u>	<u>444,423</u>
<b>Contractual obligation (Note 6)</b>		
<b>Uncertainty Due to Covid-19 (Note 7)</b>		
<b>Net Assets</b>		
Invested in tangible capital assets	19,642	21,210
Unrestricted	358,070	250,511
	<u>377,712</u>	<u>271,721</u>
	<u>\$ 794,555</u>	<u>\$ 716,144</u>

On behalf of the Board:



Director

DocuSigned by:

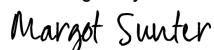


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Director

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**Ottawa Riverkeeper Inc.**  
**Statement of Changes in Net Assets**

<u>For the year ended March 31</u>	<u>2021</u>	<u>2020</u>
Balance, beginning of the year	\$ 271,721	\$ 141,433
Excess of revenues over expenses	<u>105,991</u>	<u>130,288</u>
Balance, end of the year	<u>\$ 377,712</u>	<u>\$ 271,721</u>



## Ottawa Riverkeeper Inc. Statement of Operations

For the year ended March 31	2021	2020
<b>Revenues</b>		
Grants from foundations	\$ 346,828	\$ 234,736
Riverkeeper gala	196,380	271,396
Corporate donations	173,287	157,904
Individual donations	211,790	163,910
Government grants	323,478	548,224
Events	32,001	55,998
Amortization of deferred contributions related to tangible capital assets (Note 5)	9,889	5,406
Canada Emergency Rent Subsidy	11,481	-
Canada Emergency Wage Subsidy	161,073	-
Other	15,489	18,874
	<u>1,481,696</u>	<u>1,456,448</u>
<b>Expenses</b>		
Amortization of tangible capital assets	19,820	14,429
Audit	5,558	4,930
Bank charges	5,547	4,893
Communications	4,488	3,105
Conference and membership fees	2,270	2,335
Equipment rental and lab fees	13,310	31,931
Insurance	3,941	4,173
Office and general	36,385	32,207
Outreach and event costs	96,328	116,028
Rent	53,882	52,937
Salaries and benefits	793,314	777,508
Sub-contracts and other professionals	334,919	264,855
Travel	5,943	16,829
	<u>1,375,705</u>	<u>1,326,160</u>
<b>Excess of revenues over expenses</b>	<u>\$ 105,991</u>	<u>\$ 130,288</u>

## Ottawa Riverkeeper Inc. Statement of Cash Flows

For the year ended March 31	2021	2020
<b>Cash flows from operating activities</b>		
Excess of revenues over expenses	\$ 105,991	\$ 130,288
Items not affecting cash:		
Amortization of tangible capital assets	19,820	14,429
Amortization of deferred contributions related to tangible capital assets	(9,889)	(5,406)
	115,922	139,311
Changes in non-cash working capital:		
Amounts receivable	31,070	(79,721)
Prepaid expenses	10,874	(5,166)
Accounts payable and accrued liabilities	(6,545)	8,133
Deferred contributions	(11,146)	198,130
	140,175	260,687
<b>Cash flows from investing activities</b>		
Acquisition of tangible capital assets	(22,188)	(19,917)
<b>Net increase in cash</b>	<b>117,987</b>	<b>240,770</b>
<b>Cash, beginning of the year</b>	<b>537,360</b>	<b>296,590</b>
<b>Cash, end of the year</b>	<b>\$ 655,347</b>	<b>\$ 537,360</b>



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## Ottawa Riverkeeper Inc. Notes to Financial Statements

March 31, 2021

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### 1. Accounting Policies

**Purpose of Organization** Ottawa Riverkeeper Inc. is a not-for-profit organization incorporated without share capital under the provisions of the Canada Not-for-profit Corporations Act.

The objectives of the Organization are:

- 1) to achieve a healthy, ecologically sustainable Ottawa River available for the enjoyment and benefits of its Ontario, Quebec and First Nations communities;
- 2) to employ a professional Riverkeeper to facilitate the maintenance and enhancement of Ottawa River ecological integrity through monitoring, original research, public and agency communications and support for enforcement;
- 3) to work independently as well as co-operatively with individuals, businesses, community groups and all levels of government on both sides of the river;
- 4) to develop and maintain an expert understanding of:
  - a) the river's ecological values, processes and special features, and
  - b) the protective framework offered by various federal, provincial and municipal jurisdictions and rights of First Nations;
- 5) to facilitate the enforcement of existing ecological protection regulations;
- 6) to encourage, where appropriate, the creation of additional measures to sustain and enhance the ecological health of the river; and
- 7) to encourage and develop programs and projects that increase community awareness, stewardship and habitat restoration along the Ottawa River.

The Organization is a registered charity under the Income Tax Act and, as such, is exempt from income taxes, and may issue income tax receipts to donors.

**Basis of Accounting** The Organization applies the Canadian accounting standards for not-for-profit organizations.

## Ottawa Riverkeeper Inc. Notes to Financial Statements

March 31, 2021

### 1. Accounting Policies (continued)

<b>Use of Estimates</b>	The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the year covered. The main estimate relates to the useful lives of tangible capital assets.
<b>Fund Accounting</b>	<p>The general fund accounts for current operations and programs as well as the Organization's general operations. Unrestricted contributions (donations and grants) and restricted contributions to be used for operations are reported in this fund.</p> <p>The tangible capital assets fund reports the assets, liabilities, revenues and expenses related to tangible capital assets.</p>
<b>Revenue Recognition</b>	<p>The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.</p> <p>Riverkeeper gala and events revenues are recognized as revenue when the gala and events are held.</p>
<b>Financial Instruments</b>	<p><u>Initial and subsequent measurement</u> The Organization initially measures its financial assets and liabilities at fair value. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost.</p> <p><u>Impairment</u> Financial assets measured at amortized cost are tested for impairment when there are indications of possible impairment.</p> <p><u>Transaction costs</u> Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in the statement of operations over the life of the instrument using the straight-line method.</p>

## Ottawa Riverkeeper Inc. Notes to Financial Statements

**March 31, 2021**

### 1. Accounting Policies (continued)

<b>Tangible Capital Assets</b>	Tangible capital assets are accounted for at cost and amortized on the basis of their useful life using the following methods and rates or duration:												
	<table> <tr> <td>Equipment</td><td>30% diminishing balance basis</td></tr> <tr> <td>Furniture and office equipment</td><td>20% diminishing balance basis</td></tr> <tr> <td>Computer equipment</td><td>30% diminishing balance basis</td></tr> <tr> <td>Leasehold improvements</td><td>straight-line basis over lease term</td></tr> <tr> <td>Boat</td><td>20% diminishing balance basis</td></tr> <tr> <td>Website</td><td>20% diminishing balance basis</td></tr> </table>	Equipment	30% diminishing balance basis	Furniture and office equipment	20% diminishing balance basis	Computer equipment	30% diminishing balance basis	Leasehold improvements	straight-line basis over lease term	Boat	20% diminishing balance basis	Website	20% diminishing balance basis
Equipment	30% diminishing balance basis												
Furniture and office equipment	20% diminishing balance basis												
Computer equipment	30% diminishing balance basis												
Leasehold improvements	straight-line basis over lease term												
Boat	20% diminishing balance basis												
Website	20% diminishing balance basis												
<b>Impairment of Long-Lived Assets</b>	When a tangible capital asset no longer has any long-term service potential to the Organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.												
<b>Contributed Services</b>	Volunteers contribute many hours per year to assist the Organization in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.												
<b>Deferred Contributions</b>	Contributions relating to tangible capital assets are accounted for as deferred contributions and amortized on the same basis as the related tangible capital assets.												

### 2. Tangible Capital Assets

	2021		2020	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Equipment	\$ 28,544	\$ 16,143	\$ 28,544	\$ 10,828
Furniture and office equipment	4,680	2,699	4,680	2,204
Computer equipment	42,149	28,134	33,785	23,919
Leasehold improvements	19,018	16,246	19,018	11,491
Boat	15,773	12,272	15,773	11,397
Website	26,927	15,868	13,103	11,703
	<u>\$ 137,091</u>	<u>\$ 91,362</u>	<u>\$ 114,903</u>	<u>\$ 71,542</u>
Net carrying amount		<u>\$ 45,729</u>		<u>\$ 43,361</u>



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## Ottawa Riverkeeper Inc. Notes to Financial Statements

**March 31, 2021**

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### 3. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$15,848 (2020 - \$13,478).

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### 4. Deferred Contributions

Deferred contributions represents funds received in the current year to cover operating expenses in the subsequent year. The variations in the balance of deferred contributions is as follows:

	2021	2020
Balance, beginning of year	\$ 293,050	\$ 111,462
Less: amounts recognized as revenue in the year	(293,050)	(111,462)
Plus: amounts received for the subsequent year	268,079	293,050
	<hr/>	<hr/>
Balance, end of year	\$ 268,079	\$ 293,050

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### 5. Deferred Contributions Related to Tangible Capital Assets

Deferred contributions related to tangible capital assets represents contributions received for tangible capital assets. The variations in the balance of deferred contributions is as follows:

	2021	2020
Balance, beginning of year	\$ 22,151	\$ 11,015
Plus: amount received during the year	13,825	16,542
Less: amount amortized to operations	(9,889)	(5,406)
	<hr/>	<hr/>
Balance, end of year	\$ 26,087	\$ 22,151

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### 6. Contractual Obligation

The Organization leases its premises under a lease expiring in October 2021. Future minimum lease payments (including HST) over the next year total \$32,763.

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## Ottawa Riverkeeper Inc. Notes to Financial Statements

**March 31, 2021**

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### 7. Uncertainty Due to Covid-19

The global pandemic continues to disrupt economic activities. It has also impacted the organization's operations and in particular its ability to provide services to customers and donors as normal, which includes employees working from home, events converting to virtual platforms, lower revenues from expectation and delays in projects. Although the business disruption resulting from the virus is expected to be temporary, given the dynamic nature of these circumstances the duration of the business disruption and its financial impacts cannot be reasonably estimated at this time. The organization's ability to pay for its operating costs depends on its ability to continue to maintain liquidity and collect donations and grants, as well as their ability to host events for their donors.

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### 8. External Endowment Fund

The organization established an endowment fund with the Ottawa Community Foundation (the Foundation), known as the Ottawa Riverkeeper Fund/Fonds Garde-rivière des Outaouais. The agreement requires that the capital of the Fund and any additions to the fund shall be held permanently by the Foundation and managed in accordance with the financial management policies of the Foundation. The distributable amount will normally consist of the fund's income, but encroachment on capital is permitted should the Foundation determine that the income is insufficient.

Activity in the year is as follows:

	2021	2020
Balance, beginning of the year	\$ 20,951	\$ 18,004
Contributions in the year	2,000	3,500
Investment income - net of expenses	6,409	(553)
Balance, end of the year	<u>\$ 29,360</u>	<u>\$ 20,951</u>