

**Ottawa Riverkeeper Inc.**  
**Financial Statements**  
For the year ended March 31, 2023

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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, 2023, 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, 2023, 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 ("ASNPO").

### 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, 2023 and 2022, current assets as at March 31, 2023 and 2022, and net assets as at March 31, 2023 and 2022. Our audit opinion on the financial statements for the year ended March 31, 2022 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 ASNPO, 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 LLP*

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario  
September 20, 2023

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## Ottawa Riverkeeper Inc. Statement of Financial Position

March 31	2023	2022
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 549,151	\$ 603,732
Amounts receivable	66,525	48,390
Funding receivable	229,096	-
Prepaid expenses	28,785	47,756
	<u>873,557</u>	<u>699,878</u>
<b>Tangible capital assets (Note 2)</b>	<u>959,179</u>	<u>51,480</u>
	<u><b>\$1,832,736</b></u>	<u><b>\$ 751,358</b></u>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 3)	\$ 70,830	\$ 70,340
Deferred contributions (Note 4)	425,216	253,686
	<u>496,046</u>	<u>324,026</u>
<b>Deferred contributions related to tangible capital assets (Note 5)</b>	<u>949,247</u>	<u>41,879</u>
	<u><b>1,445,293</b></u>	<u><b>365,905</b></u>
<b>Contractual obligation (Note 6)</b>		
<b>Net Assets</b>		
Invested in tangible capital assets	9,932	9,601
Unrestricted	377,511	375,852
	<u>387,443</u>	<u>385,453</u>
	<u><b>\$1,832,736</b></u>	<u><b>\$ 751,358</b></u>

On behalf of the Board:

DocuSigned by:



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Director

DocuSigned by:

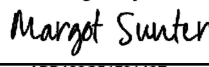


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Director

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

<u>For the year ended March 31</u>	<u>2023</u>	<u>2022</u>
Balance, beginning of the year	\$ 385,453	\$ 377,712
Excess of revenues over expenses	<u>1,990</u>	<u>7,741</u>
Balance, end of the year	<u>\$ 387,443</u>	<u>\$ 385,453</u>

## Ottawa Riverkeeper Inc. Statement of Operations

For the year ended March 31	2023	2022
<b>Revenues</b>		
Government grants	\$ 376,893	\$ 261,719
Grants from foundations	359,143	355,698
Riverkeeper gala	296,138	102,500
River House campaign revenue	259,602	-
Individual donations	258,469	312,322
Amortization of deferred contributions related to tangible capital assets (Note 5)	24,731	8,901
Corporate donations	16,562	178,913
Events	13,510	23,313
Other	12,739	10,758
Canada Emergency Wage Subsidy	-	162,174
Canada Emergency Rent Subsidy	-	11,131
	<u>1,617,787</u>	<u>1,427,429</u>
<b>Expenses</b>		
Amortization of tangible capital assets	29,730	18,944
Audit	9,174	6,562
Bank charges	6,370	6,893
Communications	3,042	2,922
Conference and membership fees	5,352	1,858
Equipment rental and lab fees	21,592	19,896
Insurance	6,634	3,406
Office and general	25,680	22,415
Outreach and event costs	120,724	38,875
Rent	27,725	49,612
Sub-contracts and other professionals	211,636	315,310
Salaries and benefits	1,132,571	924,420
Travel	15,567	8,575
	<u>1,615,797</u>	<u>1,419,688</u>
<b>Excess of revenues over expenses</b>	<u>\$ 1,990</u>	<u>\$ 7,741</u>

## Ottawa Riverkeeper Inc. Statement of Cash Flows

For the year ended March 31	2023	2022
<b>Cash flows from operating activities</b>		
Excess of revenues over expenses	\$ 1,990	\$ 7,741
Items not affecting cash:		
Amortization of tangible capital assets	29,730	18,944
Amortization of deferred contributions related to tangible capital assets	(24,731)	(8,901)
	6,989	17,784
Changes in non-cash working capital:		
Amounts receivable	(18,135)	39,705
Funding receivable	(229,096)	-
Prepaid expenses	18,971	(42,372)
Accounts payable and accrued liabilities	489	(52,337)
Deferred contributions	1,103,629	10,300
	882,847	(26,920)
<b>Cash flows from investing activities</b>		
Acquisition of tangible capital assets	(937,428)	(24,695)
<b>Net decrease in cash</b>	(54,581)	(51,615)
<b>Cash, beginning of the year</b>	603,732	655,347
<b>Cash, end of the year</b>	\$ 549,151	\$ 603,732



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## Ottawa Riverkeeper Inc. Notes to Financial Statements

March 31, 2023

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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.

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## Ottawa Riverkeeper Inc. Notes to Financial Statements

March 31, 2023

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### 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> <p>River House campaign revenues are recognized to amount of relevant campaign expenses incurred during the period.</p>
<b>Financial Instruments</b>	<p><u>Initial and subsequent measurement</u></p> <p>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></p> <p>Financial assets measured at amortized cost are tested for impairment when there are indications of possible impairment.</p> <p><u>Transaction costs</u></p> <p>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>

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**Ottawa Riverkeeper Inc.**  
**Notes to Financial Statements**

**March 31, 2023**

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**1. Accounting Policies (continued)**

**Tangible Capital Assets**      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:

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

**Impairment of Long-Lived Assets**      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.

**Contributed Services**      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.

**Deferred Contributions**      Contributions relating to tangible capital assets are accounted for as deferred contributions and amortized on the same basis as the related tangible capital assets.

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**2. Tangible Capital Assets**

	<b>2023</b>		<b>2022</b>	
	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Cost</b>	<b>Accumulated Amortization</b>
Equipment	\$ 28,992	\$ 22,535	\$ 28,544	\$ 19,863
Furniture and office equipment	4,680	3,412	4,680	3,095
Computer equipment	47,032	35,281	42,149	32,338
Leasehold improvements	932,099	15,535	19,018	19,018
Boat	15,773	13,533	15,773	12,973
Website	38,518	17,619	38,518	9,915
	<b>\$ 1,067,094</b>	<b>\$ 107,915</b>	<b>\$ 148,682</b>	<b>\$ 97,202</b>
Net carrying amount		<b>\$ 959,179</b>		<b>\$ 51,480</b>

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**Ottawa Riverkeeper Inc.**  
**Notes to Financial Statements**

**March 31, 2023**

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**3. Accounts Payable and Accrued Liabilities**

Included in accounts payable and accrued liabilities are government remittances payable of \$33,484 (2022 - \$20,911).

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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:

	2023	2022
Balance, beginning of year	\$ 253,686	\$ 268,079
Less: amounts recognized as revenue in the year	(253,686)	(268,079)
Plus: amounts received for the subsequent year	425,216	253,686
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Balance, end of year	\$ 425,216	\$ 253,686
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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:

	2023	2022
Balance, beginning of year	\$ 41,879	\$ 26,087
Plus: amount received during the year	932,099	24,693
Less: amount amortized to operations	(24,731)	(8,901)
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Balance, end of year	\$ 949,247	\$ 41,879
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## Ottawa Riverkeeper Inc. Notes to Financial Statements

**March 31, 2023**

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### 6. Contractual Obligation

The Organization leases its premises under a lease expiring in February 2028. Future minimum lease payments over the next five fiscal years are as follows:

2024	\$	51,917
2025	\$	89,000
2026	\$	92,000
2027	\$	125,000
2028	\$	114,583
		<u>\$ 472,500</u>

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### 7. 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:

	<u>2023</u>	<u>2022</u>
Balance, beginning of the year	\$ 30,836	\$ 29,360
Contributions in the year	24,683	1,000
Disbursements in the year	(24,410)	-
Investment income - net of expenses	<u>(175)</u>	<u>476</u>
Balance, end of the year	<u>\$ 30,934</u>	<u>\$ 30,836</u>