

Financial Statements

**Jane Goodall Institute for Wildlife Research,
Education and Conservation**

Toronto, Ontario

June 30, 2020

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Independent Auditors' Report

To the Members of Jane Goodall Institute for Wildlife Research, Education and Conservation:

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Jane Goodall Institute for Wildlife Research, Education and Conservation, which comprise the statement of financial position as at June 30, 2020 and the statements of changes in net assets, operations 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 effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of Jane Goodall Institute for Wildlife Research, Education and Conservation as at June 30, 2020, and its results of operations and 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 charitable organizations, the Organization derives revenue from donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we are not able to determine whether any adjustments might be necessary to donation revenue, and surplus for the years ended June 30, 2020 and June 30, 2019, current assets and net assets as at June 30, 2020 and June 30, 2019. Our audit opinion on the financial statements for the year ended June 30, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Jane Goodall Institute for Wildlife Research, Education and Conservation 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.

Independent Auditors' Report - continued

In preparing the financial statements, management is responsible for assessing Jane Goodall Institute for Wildlife Research, Education and Conservation'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 Jane Goodall Institute for Wildlife Research, Education and Conservation's financial reporting process.

Auditors' 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 auditors' 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 Jane Goodall Institute for Wildlife Research, Education and Conservation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditors' Report - continued

- 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 Jane Goodall Institute for Wildlife Research, Education and Conservation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' 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.

Toronto, Ontario
November 24, 2020

A handwritten signature in cursive script that reads "Preston Yates & Clark".

Chartered Professional Accountants, Licensed Public Accountants

Jane Goodall Institute for Wildlife Research, Education and Conservation

June 30, 2020

Statement of Financial Position

	2020	2019
		Note 5
Current Assets		
Cash, Note 3	\$ 1,637,560	\$ 2,478,508
Short-term investments, Note 3	940,721	427,254
Accounts receivable	98,610	16,824
Prepaid expenses	25,826	10,045
Program advances	118,622	33,023
Total Current Assets	2,821,339	2,965,654
Capital Assets, Note 4	19,463	22,124
Total Assets	2,840,802	2,987,778
Current Liabilities		
Accounts payable and accrued liabilities	245,928	94,217
HST payable	2,758	11,164
Deferred revenue, Note 6	338,973	975,589
Program expenses payable	454,248	220,535
Total Liabilities	1,041,907	1,301,505
Net Assets, per statement		
Development fund	1,779,432	1,664,149
Capital assets fund	19,463	22,124
	1,798,895	1,686,273
Total Net Assets and Liabilities	2,840,802	2,987,778

Approved by The Board

Director: Carlos Colorado

Director: Sujeet Kini

The notes on pages 10 through 16 form an integral part of these financial statements.

Jane Goodall Institute for Wildlife Research, Education and Conservation

Year ended June 30, 2020

Statement of Changes in Net Assets

	Development Fund	Capital Assets Fund	2020	Note 5 2019
Balance, beginning of year	\$ 1,664,149	\$ 22,124	\$ 1,686,273	\$ 1,273,868
Surplus (deficit)	119,375	(6,753)	112,622	412,405
Transfer of capital assets	(4,092)	4,092	0	0
Balance, End of Year	1,779,432	19,463	1,798,895	1,686,273

Jane Goodall Institute for Wildlife Research, Education and Conservation

Year ended June 30, 2020

Statement of Operations	2020	2019
		Note 5
Revenue		
Donations and Government Grants		
Africa project donations	\$ 130,180	\$ 222,378
Africa project grants	949,862	1,083,528
Roots & Shoots youth education donations	144,296	181,031
Roots & Shoots youth education grants	242,255	49,462
General donations	518,267	679,339
Canada Emergency Wage Subsidy (CEWS), Note 8	101,715	0
Total Donations and Government Grants	2,086,575	2,215,738
Other Revenue		
General revenue	7,205	25,057
Interest	10,078	11,044
Foreign exchange gain (loss)	17,520	(406)
Lectures and events	310,122	722,974
Total Other Revenue	344,925	758,669
Total Revenues	2,431,500	2,974,407
Expenses		
Program Expenses		
Africa programs	1,210,003	1,522,936
Public education and communication	66,606	75,145
Roots & Shoots	415,948	282,646
Total Program Expenses	1,692,557	1,880,727
Administration Expenses		
General management & administration	246,183	214,392
Fundraising	373,385	459,905
Total Administration Expenses	619,568	674,297
Other		
Amortization	6,753	6,978
Total Expenses	2,318,878	2,562,002
Surplus	112,622	412,405

Jane Goodall Institute for Wildlife Research, Education and Conservation

Year ended June 30, 2020

Statement of Cash Flows	2020	2019
Operating Activities		
Surplus	\$ 112,622	\$ 412,405
Items not requiring an outlay of cash:		
Amortization	6,753	6,978
	<u>119,375</u>	<u>419,383</u>
Changes in Non-Cash Working Capital	<u>(442,764)</u>	<u>497,663</u>
<i>Cash Flows Provided By (Used In) Operating Activities</i>	<u>(323,389)</u>	<u>917,046</u>
Investing Activities		
Purchase of capital assets	<u>(4,092)</u>	<u>(8,952)</u>
<i>Cash Flows Used In Investing Activities</i>	<u>(4,092)</u>	<u>(8,952)</u>
Net increase (decrease) in during the year	(327,481)	908,094
Cash and short-term investments at beginning of year	2,905,762	1,997,668
<i>Cash And Short-Term Investments at End of Year</i>	<u>2,578,281</u>	<u>2,905,762</u>

Jane Goodall Institute for Wildlife Research, Education and Conservation

June 30, 2020

Notes to Financial Statements

Status and Nature of Activities

Jane Goodall Institute for Wildlife Research, Education and Conservation (the Organization) is a non-profit corporation dedicated to supporting wildlife research, education and conservation. The Organization works to promote the understanding, care and preservation of earth's living creatures and of their shared natural environment.

The objectives of the Organization are as follows:

- Increase Canadian awareness of, and compassion for the plight of endangered animals with a focus on chimpanzees;
- Foster public understanding of the interconnected nature of the human, animal and ecological communities;
- Increase support for habitat and species conservation, particularly for wild chimpanzees;
- Promote activities that ensure the well-being of wild and captive chimpanzees;
- Through the Roots & Shoots program:
 - Provide training in, and, support for environmental and humanitarian education and action; and
 - Inspire and engage Canadians to take action in local and global environmental and humanitarian initiatives.

The Organization is a registered charitable organization under the Income Tax Act, incorporated without share capital by letters patent under the Canadian Corporations Act. As a registered charity, the Organization is exempt from income taxes under paragraph 149(1)(f) of the Income Tax Act (Canada).

Note 1

Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents include bank balances and guaranteed investment certificates with initial investment term of one year or less.

Funds

The Development Fund is a reserve fund derived from unrestricted surpluses. The purpose of the fund is to accrue funds to allow for new program or development initiatives for the Organization and to provide a reserve fund to the Organization in case of need. The Capital Assets Fund accounts for all transactions related to capital assets including amortization.

Note 1 Significant Accounting Policies - continued

Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can reasonably be estimated and collection is reasonably assured. Contributions received in advance of a program year and unearned are recorded as deferred revenue and recognized as revenue in the period in which the related expense is incurred.

Investment income includes interest from cash and investments. Interest from fixed income investments is recognized over the term of these investments using the effective interest method. The remaining investment income is recognized on an accrual basis.

General revenue consists of education and outreach fees, marketing and licensing fees, sales of merchandise and other miscellaneous revenues. These revenues are recognized when the service or sale is completed.

Revenue from lectures and events are recognized when the services are provided..

Government of Canada and Other Contributions

The Organization enters into contribution agreements and other funding agreements with organizations such as Global Affairs Canada (GAC) and other donors for the funding of projects in various countries. Certain conditions are often attached to these grants and may require the organization to completely segregate these funds or match a proportionate share of these funds with funds from the organization. In accordance with the revenue recognition policy, these funds are recorded as revenue in the statement of operations as related expenses are incurred. Any indirect cost recovery is recorded as revenue in the statement of operations in accordance with the terms of the individual funding agreements.

Capital Assets

Capital assets are recorded at cost. The provision for amortization is calculated on the declining balance basis and charged to the statement of operations at the following rates:

Computer and software	30%
Office equipment	20%

Note 1 Significant Accounting Policies - continued

Financial Instruments

Measurement of Financial Instruments

The Organization initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value.

Financial assets measured at amortized cost include cash, guaranteed investment certificates and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable.

Use of Estimates

The preparation of financial statements requires management to make assumptions about future events 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 revenues and expenses during the reporting period. Actual results could differ from these estimates.

Allocation of Expenses

The Organization supports Africa projects and the Roots & Shoots program as well as communications and awareness raising as part of its mandate. The costs of each program include the costs of personnel and other expenses that are directly related to providing the programs. The Organization also incurs a number of general support expenses that are common to the administration of the organization and each of its programs.

A portion of salaries and benefits that are not already clearly tied to specific program areas have been allocated to program functions over the past year. These expenses are allocated as described in Note 7 and applied consistently each year. Expenses are reflected in both dollar terms and as a percentage of total expenses in that area.

Note 2

Financial Instruments

Risk Management Policy

The Organization is exposed to various risks through its temporary investments and its accounts receivable. Temporary investments are in the form of guaranteed investment certificates. The following analysis provides a measure of the risks at June 30, 2020:

Credit Risk

The Organization is subject to concentrations of credit risk through its accounts receivable. The accounts receivable balance is made up of mostly receivables from government organizations within Canada. The maximum credit risk is equivalent to the carrying value. Management believes that the credit risk concentration with respect to its accounts receivable is low. Management assesses collectibility of its receivables on a periodic basis, and any receivables deemed uncollectible are written off.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity prices. These fluctuations may be significant. The methods and assumptions management uses when assessing market risks have not changed substantially from the prior period and are summarized as follows:

(i) Interest Rate Risk

The Organization manages its investments based on its cash flow needs and with a view to optimizing its investment income. The Organization has invested its excess cash in guaranteed investment certificates as the means for managing its interest rate risk. See Note 3 for further details.

(ii) Foreign Currency Risk

The Organization's functional currency is the Canadian Dollar. Through its Africa projects, the Organization is exposed to foreign exchange risk as these transactions are settled in U.S. Dollars. The Organization has taken proactive steps to actively manage this risk to ensure that the potential impact on its operations is minimized. The Organization has \$20,247 in U.S. Dollars with the Canadian equivalent being \$27,593.

(iii) Commodity Price Risk

The Organization is subject to normal price risk associated with consumer products.

Liquidity Risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to liquidity risk arising primarily from accounts payable.

Jane Goodall Institute for Wildlife Research, Education and Conservation

June 30, 2020

Note 3 Cash and Investments

	2020	2019
		Note 5
Cash		
Petty cash	\$ 0	\$ 50
Operating current accounts	1,142,354	1,294,966
Restricted - Delivering Healthy Futures (GAC)	156,234	1,090,478
Restricted - International Aboriginal Youth Initiative (GAC)	6,316	0
Restricted - Uncovering Common Ground (ESDC)	162,082	80,896
Restricted - Building Community Resilience to Climate Change (GAC)	800	0
Restricted - Africa General Program	68,364	12,118
Restricted - Roots & Shoots Program	101,410	0
	<u>1,637,560</u>	<u>2,478,508</u>
Short-Term Investments		
Guaranteed investment certificates	940,721	427,254
	<u>2,578,281</u>	<u>2,905,762</u>

Note 4 Capital Assets

	Cost	Accumulated Amortization	Net 2020	Net 2019
Computers and software	\$ 36,881	\$ (21,405)	\$ 15,476	\$ 17,140
Office equipment	7,351	(3,364)	3,987	4,984
	<u>44,232</u>	<u>(24,769)</u>	<u>19,463</u>	<u>22,124</u>

Note 5 Classification

The prior year figures have been reclassified, where necessary, to conform to the current year's presentation. Surplus for the previous year is not affected by the reclassification.

Jane Goodall Institute for Wildlife Research, Education and Conservation

June 30, 2020

Note 6 Deferred Revenue

The Organization received funding from Global Affairs Canada (GAC) to support a four year International Aboriginal Youth Internships (IAYI) initiative project in Uganda. \$6,316 of the deferred revenue amount represents advanced funds received from GAC and not spent towards the project. The deferred revenue will be recognized as revenue when the related expenditures have been incurred.

The Organization received funding from Employment and Social Development Canada (ESDC) to support a Roots and Shoots - Uncovering Common Ground program that empower and equip indigenous and non-indigenous youth to create positive change benefiting people, animals and the environment. \$162,082 of the deferred revenue amount represents advance funds received from ESDC and not yet spent. The deferred revenue will be recognized as revenue when the related expenditures have been incurred.

The Organization received a new funding from Global Affairs Canada (GAC) to support a four year project named "Building Community Resilience to Climate Change in Senegal". \$800 of the deferred revenue amount represents advanced funds received from GAC and not yet spent. The deferred revenue will be recognized as revenue when the related expenditures have been incurred.

The Organization received donations from individuals, foundations and corporations to implement programs in Africa and in Canada. \$169,775 of the deferred revenue amount represents funds not yet spent towards the projects. The deferred revenue will be recognized as revenue when the related expenditures have been incurred.

Note 7 Salaries and Benefits Expense

Salaries and benefits consists of remuneration to employees. The total amount of allocated salaries and benefits during the year totaled \$931,992 (2019 \$768,739) allocated as follows:

	%	2020	%	2019
Africa project	22.12	\$ 206,130	26.78	\$ 205,859
Public education and communication	5.34	49,778	8.63	66,359
Roots & Shoots	27.45	255,819	18.72	143,918
Administration	17.54	163,472	15.98	122,867
Fundraising	27.55	256,793	29.89	229,736
Total remuneration during the year	100.00	931,992	100.00	768,739

Jane Goodall Institute for Wildlife Research, Education and Conservation

June 30, 2020

Note 8

COVID-19

The challenges presented by the COVID-19 pandemic have had a significant impact on the revenue and activities of the Organization. The Organization has felt the effects of gathering restrictions, social distancing limitations, and travel bans in its fundraising and program work. Conversely, the organization was able to balance some of this loss with reduced expenses normally associated with fundraising and program activities. It is uncertain when travelling or meetings in large groups can take place again. Due to the decreased revenues, the Organization has successfully applied for the Canadian Emergency Wage Subsidy to help cover some of the salaries expense. The longer the pandemic continues, the more negative economic impact it will have on the Organization. The extent of this financial impact in the future cannot be determined at this time.